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BUDGET ESTIMATES

FOR THE

UNITED STATES

DEPARTMENT OF AGRICULTURE

FOR THE FISCAL YEAR ENDING

JUNE 30, 1974



A SEPARATE FROM THE BUDGET OF

THE UNITED STATES GOVERNMENT

1974

2001
BUDGET ESTIMATES
FOR THE
UNITED STATES
DEPARTMENT OF AGRICULTURE
FOR THE FISCAL YEAR ENDING
JUNE 30, 1974.

→ A Separate from the Budget of the United States Government,
1974

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TABLE OF CONTENTS

MATERIAL FROM THE 1974 BUDGET:		Page
PART 5—THE FEDERAL PROGRAM BY AGENCY AND ACCOUNT		
(Analysis of budget authority and outlays for the Department of Agriculture)		
Federal and trust funds.....	188–201	
PART 7—SUMMARY TABLES:		
Tables 1 to 11.....	327–338	
Table 14—Budget outlays by functions, 1964–74.....	345–359	
Table 15—Legislative proposals for major new and expanded programs in the 1974 Budget.....	360–370	
MATERIAL FROM THE 1974 BUDGET APPENDIX:		
Estimates of current appropriations in detail:		
Agricultural Marketing Service.....	196	
Agricultural Research Service.....	117	
Agricultural Stabilization and Conservation Service.....	144	
Animal and Plant Health Inspection Service.....	123	
Commodity Credit Corporation.....	153	
Commodity Exchange Authority.....	136	
Cooperative State Research Service.....	127	
Economic Research Service.....	134	
Export Marketing Service.....	141	
Extension Service.....	129	
Farmer Cooperative Service.....	138	
Farmers Home Administration.....	168	
Federal Crop Insurance Corporation.....	150	
Food and Nutrition Service.....	203	
Foreign Agricultural Service.....	139	
Foreign Assistance Programs and Special Export Programs.....	141	
Forest Service.....	208	
Funds for Strengthening Markets, Income, and Supply (Section 32).....	199	
General Counsel, Office of the.....	116	
General Provisions:		
Department of Agriculture.....	222	
Forest Service (Administrative Provisions).....	218	
Inspector General, Office of the.....	115	
Legislative program.....	221	
Library, National Agricultural.....	131	
Management Services, Office of.....	116	
Packers and Stockyards Administration.....	137	
Permanent positions, detail of.....	995	
Rural Development Service.....	164	
Rural Electrification Administration.....	165	
Scientific Activities Overseas (Special Foreign Currency Program):		
Agricultural Research Service.....	120	
Secretary, Office of the.....	111	
Soil Conservation Service.....	185	
Special Foreign Currency Program:		
Foreign Agricultural Service.....	140	
Statistical Reporting Service.....	132	
Supplemental appropriation proposals for the current year.....	1068	
Working Capital Fund, Department of Agriculture.....	113	

BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code	1972 enacted	1973 estimate	1974 estimate	Increase or decrease (—)
FUNDS APPROPRIATED TO THE PRESIDENT—Continued				
SUMMARY				
Federal funds:				
(As shown in detail above)-----	BA 5,191,489	5,102,635	4,707,893	—394,742
	O 4,319,494	4,441,201	4,119,174	—322,027
Deductions for offsetting receipts:				
Proprietary receipts from the	BA} —69,651	—101,200	—124,900	—23,700
public-----057	O }			
	150 BA} —43,957	—291,584	—49,811	241,773
	O }			
	550 BA} —50	—53	-----	53
	O }			
	850 BA} —16,425	—17,805	—17,590	215
	O }			
Total Federal funds-----	BA 5,061,406	4,691,993	4,515,592	—176,401
	O 4,189,412	4,030,559	3,926,873	—103,686
Trust funds:				
(As shown in detail above)-----	BA 3,197,106	3,365,502	3,093,600	—271,902
	O 1,187,214	2,142,857	2,503,600	360,743
Deductions for offsetting receipts:				
Proprietary receipts from the	BA} —1,096,694	—2,298,205	—2,490,708	—192,503
public-----057	O }			
	150 BA} —3,646	—3,600	—3,600	-----
	O }			
Total trust funds-----	BA 2,096,766	1,063,697	599,292	—464,405
	O 86,874	—158,948	9,292	168,240
Total funds appropriated to the President.	BA 7,158,172	5,755,690	5,114,884	—640,806
	O 4,276,286	3,871,611	3,936,165	64,554

DEPARTMENT OF AGRICULTURE

DEPARTMENTAL MANAGEMENT

Office of the Secretary

Federal Funds

General and special funds:				
Office of the Secretary-----355	BA 9,485	11,112	10,933	—179
	O 9,288	10,281	10,674	393
Rural development grants and tech- nical assistance-----355	BA -----	-----	20,000	20,000
	O -----	-----	9,000	9,000
Intragovernmental funds:				
Working capital fund-----355	BA -----	-----	* 9,600	9,600
	O 781	-----	-----	-----
Consolidated working fund-----355	O —11	-----	-----	-----
Total Federal funds Office of the Secretary.	BA 9,485	11,112	40,533	29,421
	O 10,058	10,281	19,674	9,393

See footnotes at end of table.

BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1972 enacted	1973 estimate	1974 estimate	Increase or decrease (—)
DEPARTMENT OF AGRICULTURE—Continued					
DEPARTMENTAL MANAGEMENT— Continued					
Office of the Secretary—Continued					
Trust Funds					
Miscellaneous contributed funds: Per-	BA	4			
manent.....	O		6		—6
Office of the Inspector General					
Federal Funds					
General and special funds:					
Office of the Inspector General...355	BA	18,431	18,751	18,751	
	O	18,352	17,966	18,394	428
Office of the General Counsel					
Federal Funds					
General and special funds:					
Office of the General Counsel...355	BA	6,560	6,666	6,666	
	O	6,741	6,362	6,375	13
Office of Management Services					
Federal Funds					
General and special funds:					
Office of Management Services...355	BA	3,889	4,147	4,147	
	O	4,055	4,103	4,109	6
Total Federal funds depart-	BA	38,365	40,676	70,097	29,421
mental management.	O	39,206	38,712	48,552	9,840
Total trust funds departmental	BA	4			
management.	O		6		—6
SCIENCE AND EDUCATION PROGRAMS					
Agricultural Research Service					
Federal Funds					
General and special funds:					
Agricultural Research Service...355	BA	211,490	188,026	170,790	—19,236
Permanent.....	BA	15,000	15,000	15,000	
Reappropriation.....	BA	2,000	2,000		
	O	248,858	200,098	194,216	—5,882
Scientific activities overseas (special	BA	10,000	10,000	10,000	
foreign currency program)....355	O	6,221	10,041	11,041	1,000

BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1972 enacted	1973 estimate	1974 estimate	Increase or decrease (—)
DEPARTMENT OF AGRICULTURE—Continued					
SCIENCE AND EDUCATION PROGRAMS—Continued					
Agricultural Research Service—Con.					
Federal Funds—Continued					
Intragovernmental funds:					
Working capital fund, Agricultural Research Center.....355	O	—94	-----	-----	-----
Total Federal funds Agricultural Research Service.	BA O	238,490 254,985	215,026 210,139	195,790 205,257	—19,236 —4,882
Trust Funds					
Miscellaneous trust funds: Permanent, indefinite.....355	BA O	569 671	390 423	429 442	39 19
Animal and Plant Health Inspection Service					
Federal Funds					
General and special funds:					
Animal and Plant Health Inspection Service.....355	BA	101,745	289,052	336,171	35,019
	O	101,404	303,727	288,434	—27,393
			± 12,100 ± 12,100		
Animal quarantine station (special fund): Permanent.....355	BA O	----- -----	100 50	327 471	227 421
Total Federal funds Animal and Plant Health Inspection Service.	BA O	101,745 101,404	301,252 315,877	336,498 288,905	35,246 —26,972
Trust Funds					
Miscellaneous trust funds: Permanent.....355	BA O	943 764	1,659 1,501	1,659 1,501	----- -----
Cooperative State Research Service					
Federal Funds					
General and special funds:					
Cooperative State Research Service.....355	BA O	82,948 74,703	91,438 82,837	73,700 68,500	—17,738 —14,337
Trust Funds					
Miscellaneous contributed funds: Permanent.....355	BA O	4 3	4 4	4 4	----- -----

See footnotes at end of table.

BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1972 enacted	1973 estimate	1974 estimate	Increase or decrease (—)
DEPARTMENT OF AGRICULTURE—Continued					
SCIENCE AND EDUCATION PROGRAMS—Continued					
Extension Service					
Federal Funds					
General and special funds:					
Extension Service.....355	BA	172, 279	194, 331	196, 831	2, 500
	O	169, 811	191, 698	197, 198	5, 500
Intragovernmental funds:					
Consolidated working fund.....355	O	—91	-----	-----	-----
Total Federal funds Extension Service.	BA	172, 279	194, 331	196, 831	2, 500
	O	169, 720	191, 698	197, 198	5, 500
National Agricultural Library					
Federal Funds					
General and special funds:					
National Agricultural Library...355	BA	4, 143	4, 227	4, 227	-----
	O	4, 208	4, 327	4, 333	6
Library facilities.....355	O	35	129	-----	—129
Total Federal funds National Agricultural Library.	BA	4, 143	4, 227	4, 227	-----
	O	4, 243	4, 456	4, 333	—123
Total Federal funds science and education programs.	BA	599, 605	806, 274	807, 046	772
	O	605, 055	805, 007	764, 193	—40, 814
Total trust funds science and education programs.	BA	1, 516	2, 053	2, 092	39
	O	1, 438	1, 928	1, 947	19
AGRICULTURAL ECONOMICS					
Statistical Reporting Service					
Federal Funds					
General and special funds:					
Statistical Reporting Service...355	BA	21, 080	22, 834	22, 834	-----
	O	21, 043	22, 433	22, 620	187
Trust Funds					
Miscellaneous contributed funds: Permanent, indefinite.....355	BA	11	16	16	-----
	O	11	16	16	-----
Economic Research Service					
Federal Funds					
General and special funds:					
Economic Research Service....355	BA	16, 467	17, 826	17, 766	—60
	O	17, 231	17, 451	17, 754	303

BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1972 enacted	1973 estimate	1974 estimate	Increase or decrease (—)
DEPARTMENT OF AGRICULTURE—Continued					
AGRICULTURAL ECONOMICS—Con.					
Economic Research Service—Continued					
Federal Funds—Continued					
Intragovernmental funds:					
Consolidated working fund.....	152 O	—59	-----	-----	-----
Total Federal funds Economic Research Service.	BA O	16,467 17,172	17,826 17,451	17,766 17,754	—60 303
Trust Funds					
Miscellaneous contributed funds: Permanent, indefinite.....	BA O	30 26	46 46	6 6	—40 —40
Total Federal funds agricultural economics.	BA O	37,547 38,215	40,660 39,884	40,600 40,374	—60 490
Total trust funds agricultural economics.	BA O	41 37	62 62	22 22	—40 —40
MARKETING SERVICES					
Commodity Exchange Authority					
Federal Funds					
General and special funds:					
Commodity Exchange Authority.....	BA 355 O	2,826 2,943	2,906 2,891	2,906 2,848	----- —43
Packers and Stockyards Administration					
Federal Funds					
General and special funds:					
Packers and Stockyards Administration.....	BA 355 O	4,006 3,933	4,055 3,899	4,055 3,939	----- 40
Farmer Cooperative Service					
Federal Funds					
General and special funds:					
Farmer Cooperative Service.....	BA 355 O	1,909 1,944	2,055 1,955	1,955 1,951	—100 —4
Trust Funds					
Miscellaneous contributed funds: Permanent, indefinite.....	BA 355 O	51 69	115 126	115 110	----- —16
Total Federal funds Marketing Services.	BA O	8,741 8,820	9,016 8,745	8,916 8,738	—100 —7
Total trust funds Marketing Services.	BA O	51 69	115 126	115 110	----- —16

BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1972 enacted	1973 estimate	1974 estimate	Increase or decrease (—)
DEPARTMENT OF AGRICULTURE—Continued					
INTERNATIONAL PROGRAMS					
Foreign Agricultural Service					
Federal Funds					
General and special funds:					
Foreign Agricultural Service.....355	BA	25,536	25,805	25,805	} ----- 117
Permanent.....	BA	3,117	3,117	3,117	
	O	27,766	28,992	29,109	
Salaries and expenses (special foreign currency program).....355	O	794	1,000	1,000	-----
Total Federal funds Foreign Agricultural Service.	BA	28,653	28,922	28,922	-----
	O	28,560	29,992	30,109	117
Foreign Assistance and Special Export Programs					
Federal Funds					
General and special funds:					
Expenses, Public Law 480, foreign assistance programs, Agriculture.....154	BA	1,320,400	895,000	653,638	—241,362
	O	993,200	847,100	766,200	—80,900
Increase (—) or decrease in amount owed by general fund to Commodity Credit Corporation.....351	O	327,200	47,900	—112,562	—160,462
Total Federal funds foreign assistance and special export programs.	BA	1,320,400	895,000	653,638	—241,362
	O	1,320,400	895,000	653,638	—241,362
Total Federal funds international programs.	BA	1,349,053	923,922	682,560	—241,362
	O	1,348,960	924,992	683,747	—241,245
AGRICULTURAL STABILIZATION AND CONSERVATION					
Agricultural Stabilization and Conservation Service					
Federal Funds					
General and special funds:					
Salaries and expenses.....351	BA	165,039	169,235	152,000	—17,235
	O	166,373	169,142	151,907	—17,235
Sugar Act program.....351	BA	86,000	84,500	89,500	5,000
	O	86,133	87,700	92,500	4,800
Rural environmental assistance program:.....354					
Contract authority.....	BA	195,500	225,500	-----	—225,500
Liquidation of contract authority		(150,000)	(195,500)	(15,000)	(—180,500)
	O	185,371	182,500	10,000	—172,500
See footnotes at end of table.					

BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1972 enacted	1973 estimate	1974 estimate	Increase or decrease (-)
DEPARTMENT OF AGRICULTURE—Continued					
AGRICULTURAL STABILIZATION AND CONSERVATION—Continued					
Agricultural Stabilization and Conservation Service—Continued					
<i>Federal Funds—Continued</i>					
General and special funds—Con.					
Water Bank Act program.....354	BA	10,000	10,000	-----	-10,000
	O	90	1,198	831	-367
Cropland adjustment program...351	BA	67,100	52,500	51,900	-600
	O	66,783	52,665	52,065	-600
Conservation reserve program...351	O	80	54	-----	-54
Emergency conservation meas- ures.....354	BA	12,000	10,000	10,000	-----
	O	7,407	13,000	12,000	-1,000
Dairy and beekeeper indemnity payment program.....351	BA	7,500	3,500	-----	-3,500
	O	2,974	8,400	3,148	-5,252
Cropland conversion program...351	O	108	125	125	-----
Intragovernmental funds:					
Consolidated working fund....354	O	84	26	-----	-26
Total Federal funds Agricul- tural Stabilization and Con- servation Service.	BA	543,139	555,235	303,400	-251,835
	O	515,403	514,810	322,576	-192,234

CORPORATIONS

Federal Crop Insurance Corporation

Federal Funds

General and special funds:					
Administrative and operating ex- penses.....351	BA	12,000	11,978	12,000	} -978
	O	12,066	11,978	12,000	
				12,000	} -978
				12,000	
Public enterprise funds:					
Federal Crop Insurance Corporation fund.....351	BA	10,000	-----	-----	} 1,707
	O	-10,395	1,596	1,891	
				1,412	} 1,707
				1,412	
Limitation on administrative ex- penses.		(3,587)	(3,504)	(3,632)	(128)
Total Federal funds Federal Crop Insurance Corporation.	BA	22,000	11,978	11,000	-978
	O	1,671	13,574	14,303	729

See footnotes at end of table.

BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1972 enacted	1973 estimate	1974 estimate	Increase or decrease (—)
DEPARTMENT OF AGRICULTURE—Continued					
CORPORATIONS—Continued					
Commodity Credit Corporation					
SUPPORT AND RELATED ACTIVITIES					
Federal Funds					
Public enterprise funds:					
Price support and related programs:					
Reimbursement for net realized losses.....351	BA	4,213,331	3,267,575	3,457,409	189,834
Contract authority: Permanent, indefinite.	BA	317,309	-----	-----	
Liquidation of contract authority		-----	(790,377)	-----	(-790,377)
Limitation on administrative expenses.	O	3,983,371 (40,200)	3,404,153 (39,900)	2,710,386 (41,800)	-693,767 (1,900)
Total Federal funds price support and related activities.	BA O	4,530,640 3,983,371	3,267,575 3,404,153	3,457,409 2,710,386	189,834 -693,767
SPECIAL ACTIVITIES					
Federal Funds					
General and special funds:					
National Wool Act (special fund): Permanent, indefinite.....351	BA O	75,430 116,545	66,697 63,460	63,000 42,304	-3,697 -21,156
Intragovernmental funds:					
(Game bird protection).....351	O	-7	14	-----	-14
(Conservation loans).....354	O	-27,200	-----	-----	-----
(Domestic consumption research).....355	O	-56	141	-----	-141
(Purchase of dairy products, section 709).....351	O	17	-----	-----	-----
Increase or decrease (—) in amount owed by general fund for foreign assistance programs.....351	O	-327,200	-47,900	112,562	160,462
Total Federal funds special activities.	BA O	75,430 -237,901	66,697 15,715	63,000 154,866	-3,697 139,151
Total Federal funds Commodity Credit Corporation.	BA O	4,606,070 3,745,470	3,334,272 3,419,868	3,520,409 2,865,252	186,137 -554,616
Total Federal funds corporations.	BA O	4,628,070 3,747,141	3,346,250 3,433,442	3,531,409 2,879,555	185,159 -553,887

BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1972 enacted	1973 estimate	1974 estimate	Increase or decrease ()
DEPARTMENT OF AGRICULTURE—Continued					
RURAL DEVELOPMENT					
Rural Development Service					
Federal Funds					
General and special funds:					
Rural Development Service.....355	BA	250	400	400	-----
	O	158	355	360	5
Rural Electrification Administration					
Federal Funds					
General and special funds:					
Loans: Authority to spend public	BA	669,100	633,000	-----	-633,000
debt receipts.....352	O	550,852	619,000	375,122	-243,878
Salaries and expenses.....352	BA	16,706	16,720	16,720	-----
	O	16,516	16,349	17,050	701
Public enterprise funds:					
Rural telephone bank.....352	BA	30,000	30,000	30,000	} 11,526
Authority to spend agency debt	BA	244,767	310,671	322,197	
receipts: Permanent, indefinite	O	16	87,917	114,928	27,011
Total Federal funds Rural	BA	960,573	990,391	368,917	-621,474
Electrification Adminis-	O	567,384	723,266	507,100	-216,166
tration.					
Farmers Home Administration					
Federal Funds					
General and special funds:					
Rural water and waste disposal	BA	44,000	92,000	-----	-92,000
grants.....352					
Reappropriation.....	BA	56,000	-----		
	O	35,409	46,500	46,600	100
Rural housing for domestic farm	BA	2,500	3,750	-----	-3,750
labor.....352	O	789	5,125	1,700	-3,425
Mutual and self-help housing....352	BA	2,000	3,000	3,000	-----
	O	797	3,000	3,000	-----
Salaries and expenses.....352	BA	100,032	114,955	112,500	-2,455
	O	100,682	112,584	112,500	-84

See footnotes at end of table.

BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1972 enacted	1973 estimate	1974 estimate	Increase or decrease (—)
DEPARTMENT OF AGRICULTURE—Continued					
RURAL DEVELOPMENT—Con.					
Farmers Home Administration—Con.					
Federal Funds—Continued					
Public enterprise funds:					
Direct loan account.....	351 O	11,116	—17,615	-----	17,615
Self-help housing land development fund.....	O 352	25	785	445	—340
Rural housing insurance fund: In-	BA	24,399	51,832	90,650	38,818
definite.....	352				
Authority to spend public debt re-	BA	61,713	—91,182	128,065	219,247
ceipts: Permanent, indefinite.	O	169,093			
Emergency credit revolving fund	O	—73,295	—14,064	-----	14,064
(disaster loans).....	351				
Agricultural credit insurance fund	BA	37,192	56,762	74,554	17,792
indefinite.....	351				
Authority to spend public debt	BA	337,793	—329,213	103,850	433,063
receipts: Permanent, indefinite.	O	192,617			
Rural development insurance fund:	BA	-----	277,535	511,076	233,541
Authority to spend public debt re-	O	-----	—142,998	—80,629	62,369
ceipts: Permanent, indefinite.....	352				
Economic opportunity loan fund	O	—7,812	—4,359	—2,636	1,723
.....	551				
Total Federal funds Farmers	BA	665,629	599,834	791,780	191,946
Home Administration.	O	429,421	—431,437	312,895	744,332
Trust Funds					
Miscellaneous contributed funds:	BA	38	-----	-----	-----
Permanent, indefinite.....	O 352	145	-----	-----	-----
State rural rehabilitation funds.....	O 352	1,172	78	—31	—109
Total trust funds Farmers	BA	38	-----	-----	-----
Home Administration.	O	1,317	78	—31	—109
Total Federal funds rural de-	BA	1,626,452	1,590,625	1,161,097	—429,528
velopment.	O	996,963	292,184	820,355	528,171
Total trust funds rural devel-	BA	38	-----	-----	-----
opment.	O	1,317	78	—31	—109

See footnotes at end of table.

BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1972 enacted	1973 estimate	1974 estimate	Increase or decrease (—)
DEPARTMENT OF AGRICULTURE—Continued					
ENVIRONMENTAL PROGRAMS					
Soil Conservation Service					
Federal Funds					
General and special funds:					
Conservation operations.....	354 BA	155,766	160,000	153,923	—6,077
	O	155,047	157,800	157,169	—631
River basin surveys and investiga- tions.....	401 BA	10,082	11,603	12,351	748
	O	9,984	12,347	12,369	22
Watershed planning.....	401 BA	6,730	7,619	7,053	—566
	O	6,890	7,377	7,596	219
Watershed and flood prevention op- erations.....	401 BA	132,066	150,029	84,847	—65,182
	O	108,494	139,117	110,500	—28,617
Great Plains conservation pro- gram.....	354 BA	18,114	18,114	18,172	58
	O	16,169	18,053	17,746	—307
Resource conservation and devel- opment.....	354 BA	20,863	26,595	8,217	—18,378
	O	16,229	20,892	19,255	—1,637
Plant materials center (special fund).....	354 O	160	287	-----	—287
Total Federal funds Soil Con- servation Service.	BA	343,621	373,960	284,563	—89,397
	O	312,973	355,873	324,635	—31,238
Trust Funds					
Miscellaneous contributed funds: Per- manent, indefinite:					
(Agricultural land and water re- sources).....	354 BA	188	180	180	-----
	O	148	122	120	—2
(Water resources and power).....	401 BA	1,163	1,120	1,120	-----
	O	937	1,224	1,180	—44
Total trust funds Soil Con- servation Service.	BA	1,351	1,300	1,300	-----
	O	1,085	1,346	1,300	—46
Total Federal funds environ- mental programs.	BA	343,621	373,960	284,563	—89,397
	O	312,973	355,873	324,635	—31,238
Total trust funds environ- mental programs.	BA	1,351	1,300	1,300	-----
	O	1,085	1,346	1,300	—46

BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1972 enacted	1973 estimate	1974 estimate	Increase or decrease (—)
DEPARTMENT OF AGRICULTURE—Continued					
CONSUMER PROGRAMS					
Agricultural Marketing Service					
Federal Funds					
General and special funds:					
Marketing services.....355	BA	144,059	34,082	34,865	783
	O	148,322	33,632	34,651	1,019
Payments to States and possessions	BA	1,600	2,500	1,600	—900
355	O	1,600	1,600	1,600	-----
Funds for strengthening markets, in-	BA	508,175	811,763	705,352	—106,411
come, and supply (special fund):	O	593,215	791,057	749,446	—63,571
Permanent, indefinite.....351			± 21,960 }		
Perishable Agricultural Commodi-	BA	658	1,356	1,356	-----
ties Act fund (special fund): Per-	O	705	1,344	1,344	-----
manent, indefinite.....355					
Total Federal funds Agricul-	BA	654,492	849,701	743,173	—106,528
tural Marketing Service.	O	743,842	849,593	787,041	—62,552
Trust Funds					
Agricultural Marketing Service trust	BA	39,898	40,129	40,659	530
funds: Permanent, indefinite...355	O	43,961	39,239	39,477	238
Milk market orders assessment	O	—1,583	—289	—263	26
fund.....351					
Total trust funds Agricultural	BA	39,898	40,129	40,659	530
Marketing Service.	O	42,378	38,950	39,214	264
Food and Nutrition Service					
Federal Funds					
General and special funds:					
Child nutrition programs.....702	BA	363,843	471,289	555,612 }	164,789
Permanent.....	BA	232,043	119,165	199,631 }	
	O	622,194	604,573	749,228	144,655
Special milk program.....702	BA	104,000	97,123	25,000	—72,123
	O	93,552	94,025	38,000	—56,025
Food stamp program.....702	BA	2,285,038	2,495,654	2,195,750	—299,904
	O	1,909,166	2,192,414	2,195,750	3,336
Total Federal funds Food and	BA	2,984,924	3,183,231	2,975,993	—207,238
Nutrition Service.	O	2,624,912	2,891,012	2,982,978	91,966
Total Federal funds consumer	BA	3,639,416	4,032,932	3,719,166	—313,766
programs.	O	3,368,754	3,740,605	3,770,019	29,414
Total trust funds consumer	BA	39,898	40,129	40,659	530
programs.	O	42,378	38,950	39,214	264

See footnotes at end of table.

BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1972 enacted	1973 estimate	1974 estimate	Increase or decrease (-)
DEPARTMENT OF AGRICULTURE—Continued					
FOREST PROTECTION AND MANAGEMENT					
Forest Service					
Federal Funds					
General and special funds:					
Forest protection and utiliza- tion.....402	BA	378,923	349,079	327,359	-56,615
	O	374,450	336,076 E 57,000	329,447	-63,629
Construction and land acqui- sition.....402	BA	35,703	48,582	25,498	-23,084
	O	19,565	42,300	40,165	-2,135
Youth Conservation Corps.....402	BA	3,500	3,500	10,000	6,500
	O	2,770	3,500	10,000	6,500
Forest roads and trails: 402					
Contract authority: Permanent..	BA	170,000			
Liquidation of contract authority..	O	(148,740)	(158,840)	(87,700)	(-71,140)
		143,221	160,047	96,700	-63,347
Acquisition of lands for national forests, special acts (special fund).....402	BA	80	80	94	14
	O	68	80	80	
Acquisition of lands to complete land exchanges (special fund).....402	BA	26		55	55
	O	26		55	55
Cooperative range improvements (special fund).....402	BA	700	700	700	
	O	700	700	700	
Assistance to States for tree plant- ing.....402	BA	1,028	1,020	1,020	
	O	1,147	1,104	1,045	-59
Construction and operation of rec- reation facilities: indefinite..402	BA			3,546	3,546
	O			3,335	3,335
General and special funds:					
Scientific activities overseas (special foreign currency program).....402	BA			1,000	1,000
	O			340	340
Other general funds.....402	O		350		-350
Forest service permanent appropria- tions (special funds): Perma- nent, indefinite.....402	BA	98,399	137,709	162,135	24,426
	O	96,730	138,140	163,175	25,035

See footnotes at end of table.

BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1972 enacted	1973 estimate	1974 estimate	Increase or decrease (—)
DEPARTMENT OF AGRICULTURE—Continued					
Intragovernmental funds:					
Working capital fund.....	402 O	699	1,921	1,516	—405
Consolidated working fund.....	402 O	371	—75	14	89
Total Federal funds Forest Service.	BA O	688,359 639,747	575,565 741,143	531,407 646,572	—44,158 —94,571
Trust Funds					
Cooperative work: Permanent, indefinite.....	BA O	53,874 41,114	54,000 47,035	55,000 49,000	1,000 1,965
Total Federal funds forest protection and management.	BA O	688,359 639,748	575,565 741,143	531,407 646,572	—44,158 —94,571
Total trust funds forest protection and management.	BA O	53,874 41,114	54,000 47,035	55,000 49,000	1,000 1,965
SUMMARY					
Federal funds:					
(As shown in detail above).....	BA O	13,502,368 11,621,238	12,295,115 10,895,397	11,140,261 10,309,316	—1,154,854 —586,081
Deductions for offsetting receipts:					
Proprietary receipts from the public.....	BA O	—188,298	—196,754	—209,745	—12,991
350	O				
400	BA	—362,727	—431,240	—389,782	41,458
	O				
700	BA	—74	—74	—74	
	O				
850	BA	—126,107	—134,841	—140,341	—5,500
	O				
Total Federal funds.....	BA O	12,825,162 10,944,032	11,532,206 10,132,488	10,400,319 9,569,374	—1,131,887 —563,114
Trust funds:					
(As shown in detail above).....	BA O	96,773 87,438	97,659 89,531	99,188 91,562	1,529 2,031
Deductions for offsetting receipts:					
Proprietary receipts from the public.....	BA O	—41,549	—42,359	—42,888	—529
350	O				
400	BA	—55,225	—55,300	—56,300	—1,000
	O				
Total trust funds.....	BA O	—9,336 —8,128	—8,128 —7,626	—7,626 —7,626	502
Total Department of Agriculture.	BA O	12,825,161 10,934,696	11,532,206 10,124,360	10,400,319 9,561,748	—1,131,887 —562,612

Table 1. BUDGET SUMMARY (in millions of dollars)

Description	1972 actual	1973 estimate	1974 estimate
Budget authority (largely appropriations):			
Available through current action by Congress:			
Enacted and pending.....	164,806	179,575	-----
Proposed in this budget.....	-----	3,269	172,820
Available without current action by Congress.....	102,793	131,653	146,477
Deductions for offsetting receipts ¹	-19,503	-34,131	-31,268
Total budget authority.....	248,097	280,366	288,029
Receipts and outlays:			
Receipts:			
Federal funds.....	148,846	154,250	171,308
Trust funds.....	72,959	91,952	105,471
Intragovernmental transactions.....	-13,156	-21,218	-20,797
Total budget receipts.....	208,649	224,984	255,982
Outlays:			
Federal funds.....	177,959	188,390	199,108
Trust funds.....	67,073	82,624	90,354
Intragovernmental transactions.....	-13,156	-21,218	-20,797
Total budget outlays.....	231,876	249,796	268,665
Surplus or deficit (-):			
Federal funds.....	-29,114	-34,140	-27,800
Trust funds.....	5,886	9,328	15,117
Total budget.....	-23,227	-24,812	-12,683
	1971 actual		
Outstanding debt, end of year:			
Gross Federal debt.....	409,467	437,329	473,325
Held by:			
Government agencies.....	105,140	113,559	124,555
The public.....	304,328	323,770	348,770
Federal Reserve System.....	65,518	71,426	
Others.....	238,810	252,344	
MEMORANDUM			
Outstanding loans, end of year:			
Direct loans.....	53,113	50,149	50,062
Guaranteed and insured loans ²	118,114	133,061	150,270
Government-sponsored agencies loans ³	38,809	48,881	59,605
			71,812

¹ These consist of intrabudgetary transactions and proprietary receipts from the public.

² Excludes loans held by Government accounts and special credit agencies.

³ Excludes Federal Reserve banks, but starting in 1972 includes Export-Import Bank (previously reported as direct loans) and starting in 1974 includes newly authorized Environmental Financing Authority.

Table 2. BUDGET RECEIPTS, OUTLAYS, AND BUDGET AUTHORITY
(in millions of dollars)

Description	1972 actual	1973 estimate	1974 estimate
Receipts by source:			
Individual income taxes.....	94,737	99,400	111,600
Corporation income taxes.....	32,166	33,500	37,000
Social insurance taxes and contributions:			
Employment taxes and contributions.....	46,120	55,610	67,866
Unemployment insurance.....	4,357	5,262	6,267
Contributions for other insurance and retirement.....	3,437	3,667	4,029
Excise taxes.....	15,477	15,970	16,798
Estate and gift taxes.....	5,436	4,600	5,000
Customs duties.....	3,287	3,000	3,300
Miscellaneous receipts.....	3,633	3,975	4,122
Total receipts.....	208,649	224,984	255,982
Outlays by functions:			
National defense ¹	78,336	76,435	81,074
International affairs and finance.....	3,726	3,341	3,811
Space research and technology.....	3,422	3,061	3,135
Agriculture and rural development.....	7,063	6,064	5,572
Natural resources and environment.....	3,761	876	3,663
Commerce and transportation.....	11,201	12,543	11,580
Community development and housing.....	4,282	3,957	4,931
Education and manpower.....	9,751	10,500	10,110
Health.....	17,112	17,991	21,730
Income security.....	64,876	75,889	81,976
Veterans benefits and services.....	10,731	11,795	11,732
Interest.....	20,582	22,808	24,672
General government.....	4,891	5,631	6,025
General revenue sharing.....		6,786	6,035
Allowances for contingencies and civilian agency pay raises.....		500	1,750
Undistributed intragovernmental transactions:			
Employer share, employee retirement.....	-2,768	-2,980	-3,157
Interest received by trust funds.....	-5,089	-5,401	-5,974
Total outlays.....	231,876	249,796	268,665
Budget surplus or deficit (—).....	-23,227	-24,812	-12,683
Budget authority by function:			
National defense ¹	80,314	81,719	87,303
International affairs and finance.....	5,010	3,705	4,465
Space research and technology.....	3,307	3,407	3,015
Agriculture and rural development.....	8,172	7,275	6,665
Natural resources and environment.....	5,608	6,862	1,259
Commerce and transportation.....	12,734	17,138	12,678
Community development and housing.....	4,924	5,918	3,863
Education and manpower.....	10,729	10,948	9,947
Health.....	17,712	20,299	26,377
Income security.....	69,754	80,969	90,799
Veterans benefits and services.....	11,330	12,611	12,253
Interest.....	20,582	22,808	24,672
General government.....	5,779	6,044	5,809
General revenue sharing.....		8,295	6,055
Allowances for contingencies and civilian agency pay raises.....		750	2,000
Undistributed intragovernmental transactions.....	-7,858	-8,381	-9,130
Total budget authority.....	248,097	280,366	288,029

¹ Includes allowances for All-Volunteer Force, retirement systems reform and civilian and military pay raises for Department of Defense.

Table 3. BUDGET AUTHORITY AND OUTLAYS BY AGENCY
(in millions of dollars)

Department or other unit	Budget authority			Outlays		
	1972 actual	1973 estimate	1974 estimate	1972 actual	1973 estimate	1974 estimate
Legislative Branch.....	577	581	590	487	527	607
The Judiciary.....	178	194	205	173	192	204
Executive Off. of the President..	60	111	121	54	96	89
Funds approp. to the President..	7,158	5,756	5,115	4,276	3,872	3,936
Agriculture.....	12,825	11,532	10,400	10,935	10,124	9,562
Commerce.....	1,479	1,826	1,242	1,250	1,318	1,431
Defense—Military ¹	75,084	77,804	83,481	75,151	74,200	78,200
Defense—Civil.....	1,625	1,881	1,514	1,530	1,753	1,623
Health, Education, & Welfare..	75,708	87,859	101,880	71,780	83,580	93,822
Housing & Urban Development..	4,081	5,048	3,713	3,642	3,364	4,768
Interior.....	1,652	-2,067	-356	1,256	-2,247	5
Justice.....	1,571	1,774	1,834	1,180	1,496	1,737
Labor.....	9,354	9,268	8,952	10,033	9,563	8,115
State.....	553	683	648	536	621	654
Transportation.....	8,658	11,327	9,025	7,531	8,042	8,139
Treasury.....	22,198	32,744	32,612	22,124	31,250	32,577
Atomic Energy Commission.....	2,293	2,633	2,429	2,392	2,194	2,374
Environmental Protect. Agency..	2,447	7,420	589	763	1,148	2,127
General Services Admin.....	790	96	175	589	40	499
Nat'l Aero. & Space Admin.....	3,307	3,407	3,015	3,422	3,061	3,135
Veterans Administration.....	11,292	12,566	12,209	10,710	11,758	11,703
Other Independent Agencies.....	13,064	15,553	15,765	9,919	11,726	10,738
Allowances for contingencies and civilian agency pay raises.....		750	2,000		500	1,750
Undistributed intragovernmental transactions:						
Employer share, employee retirement.....	-2,768	-2,980	-3,157	-2,768	-2,980	-3,157
Interest rec'd by trust funds..	-5,089	-5,401	-5,974	-5,089	-5,401	-5,974
Total budget authority and outlays.....	248,097	280,366	288,029	231,876	249,796	268,665

MEMORANDUM

Portion available through current action by Congress ²	164,806	182,844	172,820	115,353	120,346	120,615
Portion available without current action by Congress.....	102,793	131,653	146,477	40,813	66,431	74,074
Outlays from obligated balances.....				48,401	51,398	55,715
Outlays from unobligated balances.....				46,812	45,753	49,528
Deductions for offsetting receipts:						
Intrabudgetary transactions..	-14,980	-23,285	-23,002	-14,980	-23,285	-23,002
Proprietary receipts from the public.....	-4,523	-10,846	-8,266	-4,523	-10,846	-8,266
Total budget authority and outlays.....	248,097	280,366	288,029	231,876	249,796	268,665

¹ Includes allowances for All-Volunteer Force, retirement systems reform and civilian and military pay raises for Department of Defense.

² Budget authority excludes appropriations to liquidate contract authorizations. Outlays from such appropriations are included as outlays from balances below.

Table 4. BUDGET AUTHORITY AVAILABLE THROUGH CURRENT ACTION
BY CONGRESS (in millions of dollars)

Department or other unit	1972 actual	1973 estimate			1974 estimate		
		Enacted and pending	Pro- posed changes	Total	Recom- mended herein	Pro- posed changes	Total
Legislative branch.....	587	590	1	590	600	-----	600
The Judiciary.....	176	189	5	194	205	-----	205
Executive Off. of the President.....	60	111	-----	111	121	-----	121
Funds approp. to the President.....	5,021	4,811	111	4,923	4,358	165	4,523
Agriculture.....	11,436	10,503	47	10,550	9,147	9	9,155
Commerce.....	1,276	1,584	8	1,592	1,033	-----	1,033
Defense—Military ¹	74,969	76,774	1,135	77,909	80,151	3,425	83,576
Defense—Civil.....	1,678	1,946	1	1,947	1,579	-----	1,579
Health, Education, and Welfare.....	26,956	28,676	875	29,551	29,101	2,462	31,564
Housing and Urban Development.....	3,811	4,281	-----	4,281	2,678	-----	2,678
Interior.....	2,200	2,403	68	2,471	2,001	66	2,067
Justice.....	1,573	1,772	4	1,776	1,836	-----	1,836
Labor.....	4,478	3,822	-282	3,540	2,195	-----	2,195
State.....	527	618	26	644	604	-----	604
Transportation.....	3,632	7,144	69	7,213	3,245	-----	3,245
Treasury Department.....	1,637	1,688	72	1,760	1,776	92	1,867
Atomic Energy Commission.....	2,293	2,633	-----	2,633	2,429	-----	2,429
Environmental Protection Agency.....	2,448	7,421	-----	7,421	494	-----	494
General Services Admin.....	946	977	7	984	620	-----	620
National Aeronautics and Space Administration.....	3,308	3,408	-----	3,408	3,016	-----	3,016
Veterans Administration.....	10,936	11,903	318	12,221	12,213	-357	11,856
Other independent agencies.....	4,858	6,321	54	6,375	4,871	684	5,555
Allowances for contingencies and civilian agency pay raises.....	-----	-----	750	750	-----	2,000	2,000
Total budget authority available through current action by Congress.....	164,806	179,575	3,269	182,844	164,275	8,545 ²	172,820

MEMORANDUM

Appropriations to liquidate contract authority:

Legislative branch.....	*	-----	-----	-----	-----	-----	-----
Funds approp. to the President.....	1,272	2,503	-----	2,503	2,646	-----	2,646
Agriculture.....	299	1,145	-----	1,145	103	-----	103
Commerce.....	239	232	-----	232	222	-----	222
Housing and Urban Development.....	1,250	1,450	-----	1,450	138	-----	138
Interior.....	96	107	-----	107	136	-----	136
Transportation.....	5,054	5,396	-----	5,396	5,075	-----	5,075
Environmental Protection Agency.....	-----	-----	-----	-----	200	-----	200
Other independent agencies.....	4	11	27	38	27	-----	27
Total appropriations to liquidate contract authority.....	8,213	10,845	27	10,872	8,546	-----	8,546

¹ Includes allowances for All-Volunteer Force, retirement systems reform and civilian and military pay raises for Department of Defense.

² In addition, appropriations to become available in fiscal year 1975 are recommended in this budget for \$90 million for the Washington Metropolitan Area Transit Authority.

*Less than \$500 thousand.

Table 5. OUTLAYS FROM BUDGET AUTHORITY AVAILABLE THROUGH CURRENT ACTION BY CONGRESS (in millions of dollars)

Department or other unit	1972 actual	1973 estimate			1974 estimate		
		Enacted and pending	Pro- posed changes	Total	Recom- mended herein	Pro- posed changes	Total
Legislative branch.....	434	462	1	463	524	*	524
The Judiciary.....	158	173	4	177	188	*	188
Executive Off. of the President.....	49	85	-----	85	65	-----	65
Funds approp. to the President.....	1,264	1,430	16	1,446	1,033	62	1,095
Agriculture.....	9,726	8,805	47	8,852	8,613	-1	8,612
Commerce.....	556	555	-----	555	536	-----	536
Defense—Military ¹	55,418	55,614	1,061	56,674	55,477	3,120	58,597
Defense—Civil.....	1,249	1,336	1	1,337	1,118	*	1,118
Health, Education, and Wel- fare.....	18,925	19,938	284	20,222	19,070	715	19,785
Housing and Urban Develop- ment.....	1,055	1,393	-----	1,393	1,570	-----	1,570
Interior.....	1,318	1,478	57	1,535	1,455	50	1,505
Justice.....	834	937	4	941	1,084	-----	1,084
Labor.....	2,843	2,396	66	2,462	1,453	-----	1,453
State.....	465	527	12	539	538	-----	538
Transportation.....	2,615	1,874	59	1,933	2,047	-----	2,047
Treasury Department.....	1,439	1,537	68	1,605	1,610	92	1,702
Atomic Energy Commission.....	1,142	1,008	-----	1,008	756	-----	756
Environmental Protection Agency.....	280	580	-----	580	257	-----	257
General Services Admin.....	633	716	7	722	590	*	590
National Aeronautics and Space Administration.....	2,147	1,922	-----	1,922	1,819	-----	1,819
Veterans Administration.....	9,786	10,801	248	11,049	11,152	-277	10,875
Other independent agencies.....	3,019	4,297	46	4,343	3,753	594	4,347
Allowances for contingencies and civilian agency pay raises.....	-----	-----	500	500	-----	1,550	1,550
Total outlays from budg- et authority available through current ac- tion by Congress.....	115,353	117,865	2,481	120,346	114,710	5,905	120,615

MEMORANDUM

From appropriations to liqui-
date contract authorizations:

Legislative branch.....	*	-----	-----	-----	-----	-----	-----
Funds approp. to the Presi- dent.....	1,272	2,345	-----	2,345	2,646	-----	2,646
Agriculture.....	139	949	-----	949	77	-----	77
Commerce.....	236	215	-----	215	222	-----	222
Housing and Urban Develop- ment.....	1,250	1,450	-----	1,450	138	-----	138
Interior.....	81	107	-----	107	131	-----	131
Transportation.....	4,833	5,123	-----	5,123	5,059	-----	5,059
Environmental Protection Agency.....	-----	-----	-----	-----	200	-----	200
Other independent agencies.....	-----	11	21	32	14	6	20
Total outlays from ap- propriations to liqui- date contract author- ity.....	7,811	10,200	21	10,221	8,487	6	8,493

¹ Includes allowances for All-Volunteer Force, retirement systems reform and civilian and military pay raises for Department of Defense.

*Less than \$500 thousand.

Table 6. RELATION OF BUDGET AUTHORITY TO OUTLAYS

(in millions of dollars)

Description	1972 actual	1973 estimate	1974 estimate
<i>Budget authority available through current action by Congress:</i>			
Enacted and pending:			
Appropriations ¹	162,354	167,805	163,648
Authority to spend debt receipts.....	714	633	-----
Contract authority.....	1,424	11,133	628
Reappropriations and reauthorizations.....	314	4	-----
Proposed changes:			
Appropriations ¹	-----	3,235	8,545
Authority to spend debt receipts.....	-----	34	-----
Total budget authority available through current action by Congress (table 4).....	164,806	182,844	172,820
<i>Budget authority available without current action by Congress (permanent authorizations):</i>			
Appropriations ¹	91,461	122,240	135,066
Authority to spend debt receipts.....	898	1,348	1,863
Contract authority.....	10,434	8,065	9,548
<i>Deductions for offsetting receipts (table 13):</i>			
Intrabudgetary transactions.....	-14,980	-23,285	-23,002
Proprietary receipts from the public.....	-4,523	-10,846	-8,266
Total budget authority for the year (table 3).....	248,097	280,366	288,029
<i>Unobligated balances and adjustments:</i>			
Unobligated balances:			
Brought forward at start of year (table 9).....	175,158	177,185	184,009
Written off (rescinded, lapsed, etc.) ²	-3,498	-1,902	-10,415
Carried forward at end of year (table 9).....	-177,185	-184,009	-186,585
Application of new authority to prior obligations:			
Budget authority of year, obligated previously.....	-3,090	-3,338	-3,668
Budget authority of subsequent year, obligated currently.....	3,338	3,668	4,081
Obligations incurred, net (table 8).....	242,821	271,970	275,450
<i>Obligated balances:</i>			
Brought forward at start of year, funded (table 9).....	85,965	92,354	114,534
Adjustments in expired accounts ²	-4,556	-6	-2,186
Deficiency appropriations.....	-----	13	-----
Carried forward at end of year (table 9).....	-92,354	-114,534	-119,134
Outlays.....	231,876	249,796	268,665

MEMORANDUM

Federal funds included above:

Budget authority available through current action by Congress.....	163,120	180,946	171,211
Budget authority for the year.....	185,761	209,114	202,919
Obligations incurred ³	183,718	206,764	204,423
Outlays ³	177,959	188,390	199,108

¹ Excludes appropriations to liquidate contract authority:

	1972 actual	1973 estimate	1974 estimate
For later transmittal.....	-----	27	-----
All other.....	8,213	10,845	8,546

² Includes writeoff of balances of the Export-Import Bank and the Postal Service fund resulting from removal from the budget totals.³ Amounts are net of interfund transactions and proprietary receipts from the public.

Table 7. CONTROLLABILITY OF BUDGET OUTLAYS (in billions of dollars)

Description	1972 actual	1973 estimate	1974 estimate
Relatively uncontrollable under present law:			
Open-ended programs and fixed costs:			
Social insurance trust funds:			
Social security.....	40.2	49.4	55.5
Medicare.....	8.8	9.6	12.6
Unemployment.....	6.9	6.1	5.5
Retirement and other.....	5.8	6.7	6.8
Subtotal, social insurance trust funds.....	61.7	71.7	80.4
Interest.....	20.6	22.8	24.7
Veterans benefits: Pensions, compensation, education, and insurance.....	8.3	9.1	9.1
Medicaid program.....	4.6	4.3	5.2
Other public assistance grants.....	8.5	8.4	7.4
General revenue sharing.....	-----	6.8	6.0
Military retired pay.....	3.9	4.4	4.7
Farm price supports (Commodity Credit Corporation).....	4.0	3.4	2.7
Supplemental security income.....	-----	.1	2.2
Food stamp program.....	1.9	2.2	2.2
Housing payments.....	1.1	1.7	2.0
Postal Service.....	1.8	1.7	1.4
Legislative and Judiciary.....	.7	.7	.8
Other.....	2.4	3.9	3.7
Subtotal, open-ended programs and fixed costs.....	119.3	141.3	152.6
Outlays from prior-year contracts and obligations:			
National defense.....	20.2	19.2	21.9
Civilian programs.....	19.0	20.7	23.6
Allowance for pay raises:			
Department of Defense.....	-----	.7	2.7
Civilian agencies.....	-----	(¹)	1.0
Total, relatively uncontrollable outlays.....	158.5	181.9	201.8
Relatively controllable outlays:			
National defense.....	54.7	52.6	52.3
Civilian programs.....	26.5	23.2	22.9
Total, relatively controllable programs.....	81.2	75.8	75.2
Allowances for contingencies.....	-----	.5	.8
Undistributed intragovernmental transactions.....	-7.9	-8.4	-9.1
Total budget outlays.....	231.9	249.8	268.7

¹ Less than \$50 million. The total cost of the January 1973 pay raise is about \$300 million for civilian agencies; most of this amount is expected to be offset by savings.

Table 8. OBLIGATIONS INCURRED, NET (in millions of dollars)

Department or other unit	1972 actual	1973 estimate	1974 estimate
Legislative branch.....	508	550	608
The Judiciary.....	174	193	205
Executive Office of the President.....	57	109	123
Funds appropriated to the President:			
International security assistance.....	4,898	2,489	2,396
International development assistance.....	1,280	1,749	2,000
Other.....	1,278	1,737	-22
Agriculture.....	12,156	9,226	9,354
Commerce.....	1,419	1,638	1,345
Defense—Military ¹	76,180	79,985	82,776
Defense—Civil.....	1,621	1,814	1,800
Health, Education, and Welfare.....	73,036	87,039	95,006
Housing and Urban Development.....	3,800	5,808	2,171
Interior.....	1,453	-2,079	29
Justice.....	1,510	1,921	1,866
Labor.....	10,523	9,483	7,690
State.....	546	658	652
Transportation.....	8,521	8,684	8,566
Treasury.....	22,164	32,744	32,631
Atomic Energy Commission.....	2,501	2,667	2,645
Environmental Protection Agency.....	1,154	4,357	3,919
General Services Administration.....	774	17	381
National Aeronautics and Space Administration.....	3,230	3,518	3,108
Veterans Administration.....	10,859	11,770	11,776
Civil Service Commission.....	3,968	4,757	5,037
Export-Import Bank.....	301		
Federal Deposit Insurance Corporation.....	-367	-476	-512
Federal Home Loan Bank Board.....	-201	-206	-336
Postal Service.....	2,231	2,526	1,373
Railroad Retirement Board.....	2,138	2,484	2,614
Other independent agencies.....	2,965	4,438	3,377
Allowances for contingencies and civilian agency pay raises.....		750	2,000
Undistributed intragovernmental transactions.....	-7,858	-8,381	-9,130
Total.....	242,821	271,970	275,450
MEMORANDUM			
Federal funds.....	183,718	206,764	204,423
Trust funds.....	72,259	86,424	91,824
Intragovernmental transactions.....	-13,156	-21,218	-20,797
Total.....	242,821	271,970	275,450

¹ Includes allowances for All-Volunteer Force, retirement systems reform, and civilian and military pay raises for the Department of Defense.

Table 9. BALANCES OF BUDGET AUTHORITY (in millions of dollars)

Department or other unit	Start 1972		End 1972		End 1973		End 1974	
	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated
Legislative branch.....	37	91	57	158	80	177	81	150
The Judiciary.....	15	7	16	8	17	8	17	9
Executive Office of the President.....	7	1	10	2	23	2	57	*
Funds appropriated to the President:								
Intl. security assistance.....	2,519	2,354	5,890	916	7,217	901	8,105	798
Intl. development assistance.....	3,872	7,908	3,788	9,159	4,307	8,931	4,825	9,176
Other ¹	2,011	109	1,818	27	2,076	-79	1,109	163
Agriculture.....	5,741	1,455	6,956	1,583	6,063	3,478	5,841	4,203
Commerce.....	1,194	262	1,333	283	1,653	336	1,567	233
Defense—Military ²	23,018	12,961	24,005	11,872	29,790	9,447	34,366	9,870
Defense—Civil.....	324	228	419	230	480	298	657	12
Health, Education, and Welfare.....	12,574	41,443	13,672	44,277	17,131	45,425	18,313	52,705
Housing and Urban Development.....	8,513	13,914	8,666	13,214	11,110	12,143	8,513	13,701
Interior.....	822	845	1,017	979	1,184	943	1,208	518
Justice.....	491	144	819	205	1,245	58	1,373	26
Labor.....	1,161	11,707	1,580	10,204	1,500	9,973	1,075	11,216
State.....	68	67	73	75	110	100	109	96
Transportation.....	9,038	10,383	10,018	10,485	10,659	13,100	11,087	13,557
Treasury.....	151	40	189	64	1,684	64	1,738	44
Atomic Energy Commission.....	1,008	458	1,117	250	1,591	216	1,862	-----
Environ. Protection Agency.....	1,631	241	2,028	1,534	5,237	4,548	7,029	1,143
General Services Administration.....	318	249	504	255	481	331	363	123
National Aeronautics and Space Administration.....	1,464	199	1,271	253	1,729	127	1,701	34
Veterans Administration.....	1,357	8,641	1,498	8,895	1,510	9,332	1,583	9,663
Civil Service Commission.....	1,312	24,894	1,506	27,842	1,843	30,864	2,290	34,320
Export-Import Bank.....	3,848	1,458	-----	-----	-----	-----	-----	-----
Federal Deposit Insurance Corporation.....	322	7,351	387	7,718	430	8,194	454	8,706
Federal Home Loan Bank Board.....	92	7,382	42	7,545	14	7,751	-1	8,086
Postal Service.....	917	10,831	1,355	10,216	2,171	9,100	-----	-----
Railroad Retirement Board.....	157	4,694	172	4,583	211	4,382	209	4,958
Other independent agencies.....	1,985	4,843	2,149	4,354	2,739	3,861	3,102	3,075
Allowances.....	-----	-----	-----	-----	250	-----	500	-----
Total.....	85,965	175,158	92,354	177,185	114,534	184,009	119,134	186,585
MEMORANDUM								
Federal funds.....	72,163	72,282	73,369	71,103	91,749	71,883	94,878	60,376
Trust funds.....	13,802	102,876	18,985	106,082	22,785	112,126	24,256	126,209
Total.....	85,965	175,158	92,354	177,185	114,534	184,009	119,134	186,585

¹ Unobligated balances shown are net of deficiencies in the Revolving fund, Defense Production Act: Start 1972, \$194 million; end 1972, \$275 million; end 1973, \$319 million; end 1974, \$72 million (assuming enactment of proposed legislation).

² Includes balances of allowances for All-Volunteer Force, retirement systems reform, and civilian and military pay raises for the Department of Defense.

*Less than \$500 thousand.

Table 10. BUDGET FINANCING AND OUTSTANDING DEBT
(in millions of dollars)

BUDGET FINANCING				
	1972 actual	1973 estimate	1974 estimate	
Borrowing from the public:				
Increase or decrease (—) in debt held by the public:				
Nonbank investors.....	14,854			
Commercial banks.....	—1,320			
Federal Reserve banks.....	5,908			
Net borrowing from the public.....	19,442	25,000	16,500	
Other means of financing (or disposition of surplus (—)):				
Decrease or increase (—) in available cash and monetary assets.....				
	—2,470	3,000		
Increase or decrease (—) in liabilities for:				
Checks outstanding, etc. ¹	3,556	22	—145	
Deposit fund balances.....	1,403	—2,081	—1,198	
Transactions other than debt not applied to current year surplus or deficit:				
Seigniorage on coins.....	581	489	474	
Other ²	716	—1,618	—2,948	
Subtotal, other means of financing.....	3,785	—188	—3,817	
Total, financing transactions.....	23,227	24,812	12,683	
OUTSTANDING DEBT, END OF YEAR				
	1971 actual	1972 actual	1973 estimate	1974 estimate
Gross Federal debt:				
Public debt (issued by Treasury).....	397,305	426,435	461,013	490,662
Agency debt (issued by agencies).....	12,163	10,894	12,312	14,790
Total gross Federal debt.....	409,467	437,329	473,325	505,453
Held by:				
Government agencies.....	105,140	113,559	124,555	140,183
The public.....	304,328	323,770	348,770	365,270
Federal Reserve system.....	65,518	71,426		
Others.....	238,810	252,344		

See footnotes at end of table.

DEBT SUBJECT TO PUBLIC DEBT LIMIT, END OF YEAR

	1971 actual	1972 actual	1973 estimate	1974 estimate
Public debt (issued by Treasury)-----	397,305	426,435	461,013	490,662
Notes issued by Treasury to International Monetary Fund (not in debt above)-----	825	825	825	825
Agency and District of Columbia debt subject to general limit on public debt-----	1,972	1,939	1,538	1,567
Portion of public debt not subject to limit -----	-627	-623	-622	-622
Total, debt subject to public debt limit ³-----	399,475	428,576	462,754	492,432

¹ Includes military payment certificates, accrued interest (less unamortized discount) on public debt; and as offset certain collections in transit.

² These transactions consist of increases in gold assets of the United States authorized by section 2 of the Par Value Modification Act and net disbursements of the following extrabudgetary entities: Export-Import Bank, Postal Service Fund and Environmental Financing Authority.

³ By Act of October 27, 1972, the statutory debt limit was established at \$400 billion and temporarily increased to \$465 billion through June 30, 1973. Previous applicable limitations are: July 1, 1970, to March 16, 1971, \$395 billion; March 17, 1971, to March 14, 1972, \$430 billion; March 15, 1972, to June 30, 1972, \$450 billion; and July 1, 1972, to October 31, 1972, \$450 billion. Legislation is needed to change the limitation.

Table 11. FULL-TIME PERMANENT CIVILIAN EMPLOYMENT
IN THE EXECUTIVE BRANCH

Agency	As of June ¹			
	1972 actual	1973 estimate		1974 estimate
		In 1973 budget	Current	
Agriculture.....	82,511	83,400	83,400	78,800
Commerce.....	28,412	29,700	28,200	28,400
Defense—military functions ²	1,009,562	1,005,800	980,000	956,000
Defense—civil functions.....	30,585	31,300	32,400	30,800
Health, Education, and Welfare ³	105,764	99,500	110,200	101,800
Housing and Urban Development.....	15,200	16,000	15,800	13,900
Interior.....	56,892	56,900	57,000	56,900
Justice.....	45,446	46,300	47,200	47,100
Labor.....	12,339	12,600	12,800	12,400
State.....	22,699	22,800	23,200	23,400
Transportation.....	67,232	69,200	67,700	69,400
Treasury.....	95,728	99,200	103,000	104,000
Atomic Energy Commission.....	6,836	6,900	7,000	7,400
Environmental Protection Agency.....	7,835	8,500	8,900	9,200
General Services Administration.....	36,002	39,400	38,100	37,800
National Aeronautics and Space Administration.....	27,428	26,800	26,800	25,000
Veterans Administration.....	163,179	174,100	171,600	170,000
Other agencies:				
Agency for International Development.....	11,719	11,800	10,800	9,900
Civil Service Commission.....	5,260	6,000	6,000	6,000
Selective Service System.....	5,791	6,100	5,700	3,900
Small Business Administration.....	3,916	4,000	4,200	4,100
Tennessee Valley Authority.....	14,001	14,000	14,000	14,000
Panama Canal.....	13,777	14,000	14,000	14,000
United States Information Agency.....	9,255	9,400	9,400	9,100
Miscellaneous agencies.....	33,494	34,600	35,800	35,800
Subtotal.....	1,910,863	1,928,300	1,913,200	1,869,100
Allowance for contingencies ⁴	-----	5,000	2,000	5,000
Subtotal.....	1,910,863	1,933,300	1,915,200	1,874,100
Postal Service.....	594,834	618,500	569,500	564,500
Total.....	2,505,697	2,551,800	2,484,700	2,438,600

¹ Excludes disadvantaged worker-trainees in the Public Service Careers program.² Excludes civilianization program of 5,000 in 1973 and 31,000 in 1974.³ To maintain comparability, excludes increases of approximately 9,000 in 1973 and 15,000 in 1974 for preparation and transfer of adult welfare categories to the Federal Government under Public Law 92-603 (effective Jan. 1, 1974); does reflect phasedown of Public Health Service hospitals and transfer of Saint Elizabeths Hospital to the District of Columbia during 1974.⁴ Subject to later distribution.

Table 14. BUDGET AUTHORITY AND OUTLAYS BY FUNCTION
AND AGENCY (in millions of dollars)

Function and department or other unit	BUDGET AUTHORITY			OUTLAYS		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
050 NATIONAL DEFENSE						
051 Department of Defense—						
Military:						
Military personnel.....	22,964	23,139	22,649	23,036	23,085	22,500
Retired military personnel.....	3,901	4,438	4,706	3,885	4,442	4,706
Operation and maintenance.....	20,792	21,382	22,405	21,675	21,540	21,662
Procurement.....	17,777	17,800	18,806	17,131	15,600	16,490
Research, development, test, and evaluation.....	7,519	7,960	8,555	7,881	7,622	8,069
Military construction.....	1,287	1,356	1,788	1,108	1,068	1,220
Other ¹	957	1,061	1,248	547	244	464
Allowances for:						
Civilian and military pay raises....	-----	780	2,885	-----	710	2,680
All-volunteer force.....	-----	-----	150	-----	-----	140
Military retirement systems reform....	-----	-----	390	-----	-----	370
Deductions for offsetting receipts:						
Intrabudgetary transactions.....	-6	-6	-6	-6	-6	-6
Proprietary receipts from the public....	-107	-105	-95	-107	-105	-95
Total 051.....	75,084	77,804	83,481	75,151	74,200	78,200
057 Military assistance:						
Funds appropriated to the Presi- dent ^{1 2}	2,928	1,916	1,684	806	600	800
058 Atomic energy:						
Atomic Energy Commission ^{1 2}	2,293	2,633	2,429	2,392	2,194	2,374
059 Defense-related activities:						
Executive Office of the President.....	3	3	3	3	4	3
Funds appropriated to the President....	-----	-----	-----	-12	66	-8
Department of Health, Education, and Welfare.....	4	3	6	5	3	5
Department of the Treasury (trust fund).....	*	*	*	*	*	*
General Services Administration.....	29	27	26	25	28	27
Other independent agencies: Selective Service System.....	80	83	55	75	92	55
Total 059.....	117	117	91	95	192	83
Deductions for offsetting receipts: ⁴						
Intrabudgetary transactions.....	-10	-----	-----	-10	-----	-----
Proprietary receipts from the public....	-98	-751	-382	-98	-751	-382
Total national defense.....	80,314	81,719	87,303	78,336	76,435	81,074

See footnotes at end of table.

Table 14. BUDGET AUTHORITY AND OUTLAYS BY FUNCTION
AND AGENCY (in millions of dollars)—Continued

Function and department or other unit	BUDGET AUTHORITY			OUTLAYS		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
150 INTERNATIONAL AFFAIRS AND FINANCE						
151 Conduct of foreign affairs:						
Department of State ^{1 3}	450	497	521	437	486	522
Other independent agencies:						
Arms Control and Disarmament Agency.....	9	10	7	9	10	8
Foreign Claims Settlement Com- mission.....	1	1	1	1	1	1
Tariff Commission.....	5	6	7	5	6	7
Commission on the organization of the Government for the Conduct of Foreign Policy.....		*			*	
Total 151.....	465	514	536	452	503	538
152 Economic and financial assist- ance:						
Funds appropriated to the President ¹	3,122	2,414	3,042	2,143	2,129	2,281
Department of Agriculture.....				—*		
Department of State ¹	16	63	9	25	47	27
Department of Transportation ¹	16	16	31	3	14	23
Other independent agencies:						
Action ¹	73	81	78	77	83	77
Export-Import Bank of the United States.....				39		
Total 152.....	3,226	2,574	3,159	2,287	2,273	2,408
153 Foreign information and exchange activities:						
Funds appropriated to the President.....				1		
Department of State ¹	47	52	60	43	48	54
Other independent agencies:						
International Radio Broadcasting.....	32	39	45	32	39	45
United States Information Agency ¹	199	207	224	198	207	213
Total 153.....	278	297	329	274	294	312
154 Food for Peace:						
Department of Agriculture.....	1,320	895	654	993	847	766
Deductions for offsetting receipts: ⁵						
Intrabudgetary transactions.....	—*	—*	—*	—*	—*	—*
Proprietary receipts from the public.....	—280	—574	—213	—280	—574	—213
Total international affairs and finance.....	5,010	3,705	4,465	3,726	3,341	3,811

See footnotes at end of table.

Table 14. BUDGET AUTHORITY AND OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Function and department or other unit	BUDGET AUTHORITY			OUTLAYS		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
250 SPACE RESEARCH AND TECHNOLOGY						
251 Manned space flight: National Aeronautics and Space Administration.....	1,639	1,521	1,385	1,740	1,417	1,450
252 Space science and applications: National Aeronautics and Space Administration.....	900	1,098	899	890	943	966
253 Space technology: National Aeronautics and Space Administration.....	213	161	122	228	156	139
254 Aeronautical technology: National Aeronautics and Space Administration.....	236	314	281	227	249	269
259 Supporting space activities: National Aeronautics and Space Administration ¹	331	324	329	349	307	313
Deductions for offsetting receipts: Proprietary receipts from the public..	-13	-11	-1	-13	-11	-1
Total space research and technology.....	3,307	3,407	3,015	3,422	3,061	3,135
350 AGRICULTURE AND RURAL DEVELOPMENT						
351 Farm income stabilization: Department of Agriculture ¹	5,837	4,525	4,605	5,146	4,251	3,920
Other independent agencies: Farm Credit Administration.....	-----	-----	-----	—*	*	-----
Total 351.....	5,837	4,525	4,605	5,146	4,251	3,920
352 Rural housing and public facilities: Department of Agriculture ¹	1,251	1,533	1,086	875	657	719
Department of Housing and Urban Development.....	-----	-----	-----	2	*	-2
Total 352.....	1,251	1,533	1,086	877	657	717
354 Agricultural land and water re- sources: Department of Agriculture ¹	412	450	190	354	394	217

See footnotes at end of table.

Table 14. BUDGET AUTHORITY AND OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Function and department or other unit	BUDGET AUTHORITY			OUTLAYS		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
350 AGRICULTURE AND RURAL DEVELOPMENT—Continued						
355 Research and other agricultural services:						
Department of Agriculture ¹	901	1,006	1,037	916	1,001	971
Deductions for offsetting receipts:						
Proprietary receipts from the public..	-230	-239	-253	-230	-239	-253
Total agriculture and rural develop- ment.....	8,172	7,275	6,665	7,063	6,064	5,572
400 NATURAL RESOURCES AND ENVIRONMENT						
401 Water resources and power:						
Department of Agriculture ¹	150	170	105	126	160	132
Department of Defense—Civil ¹	1,608	1,869	1,497	1,512	1,727	1,606
Department of the Interior ¹	575	673	525	539	663	618
Department of State.....	11	28	12	8	13	21
Other independent agencies:						
Federal Power Commission.....	22	24	27	21	25	27
Delaware River Basin Commission	*	*	*	*	*	*
Susquehanna River Basin Com- mission.....	*	*	*	*	*	*
Other temporary study commis- sions.....	1	1	-----	2	1	*
Tennessee Valley Authority.....	67	65	43	448	465	380
Water Resources Council ¹	8	10	11	7	11	11
Total 401.....	2,442	2,840	2,221	2,664	3,065	2,795
402 Land management:						
Department of Agriculture ¹	742	630	586	681	788	696
Department of the Interior ¹	216	220	236	211	220	234
Other independent agencies: Public Land Law Review Commission.....	-----	-----	-----	*	-----	-----
Total 402.....	958	850	822	892	1,008	929
403 Mineral resources:						
Department of the Interior ¹	132	159	128	112	151	131
404 Pollution control and abatement:						
Environmental Protection Agency ^{1 2}	2,447	7,420	589	763	1,148	2,127
Other independent agencies: National Study Commission on Water Quality Management.....	-----	*	1	-----	*	1
Total 404.....	2,447	7,421	590	763	1,148	2,128
405 Recreational resources:						
Department of the Interior ¹	816	720	514	524	641	700
Other independent agencies: Marine Mammal Commission.....	-----	-----	1	-----	-----	1
Total 405.....	816	720	515	524	641	701

See footnotes at end of table.

Table 14. BUDGET AUTHORITY AND OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Function and department or other unit	BUDGET AUTHORITY			OUTLAYS		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
400 NATURAL RESOURCES AND ENVIRONMENT—Continued						
409 Other natural resources programs:						
Department of Defense—Civil.....	*	1	1	*	1	1
Department of the Interior.....	155	178	192	149	171	187
Department of State.....	3	3	3	3	3	3
Total 409.....	158	182	196	153	174	191
Deductions for offsetting receipts: ⁶						
Intrabudgetary transactions.....	-1	-2	-2	-1	-2	-2
Proprietary receipts from the public..	-1,345	-5,308	-3,212	-1,345	-5,308	-3,212
Total natural resources and en- vironment.....	5,608	6,862	1,259	3,761	876	3,663
500 COMMERCE AND TRANSPORTATION						
501 Air transportation:						
Department of Transportation ^{1 3}	1,621	1,571	2,126	1,621	1,683	1,810
Other independent agencies:						
Civil Aeronautics Board.....	65	69	66	63	76	67
Aviation Advisory Commission ¹	1	-----	-----	1	1	-----
Total 501.....	1,687	1,640	2,193	1,685	1,760	1,877
502 Water transportation:						
Department of Commerce.....	505	758	544	422	436	502
Department of Defense—Civil.....	-----	-----	-----	1	10	—*
Department of Transportation ¹	727	829	760	683	754	780
Other independent agencies: Other temporary study commissions.....	*	1	*	*	1	*
Total 502.....	1,223	1,588	1,304	1,106	1,200	1,282
503 Ground transportation:						
Department of Housing and Urban Development.....	-----	-----	-----	*	1	1
Department of Transportation ¹	6,262	8,871	6,119	5,210	5,563	5,535
Other independent agencies: Com- mission on Highway Beautifica- tion.....	*	*	-----	*	*	*
Total 503.....	6,262	8,871	6,119	5,210	5,564	5,536
505 Postal service:						
Other independent agencies: Postal Service.....	1,418	1,410	1,373	1,772	1,710	1,373

See footnotes at end of table.

Table 14. BUDGET AUTHORITY AND OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Function and department or other unit	BUDGET AUTHORITY			OUTLAYS		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
500 COMMERCE AND TRANSPORTATION—Continued						
506 Advancement of business:						
Department of Commerce ¹	683	728	704	587	629	719
Department of Housing and Urban Development.....				5	*	-2
Department of Transportation ¹	54	65	63	36	52	66
Department of the Treasury.....		3			1	
Other independent agencies:						
Emergency Loan Guarantee Board.....				-2	-4	-4
Federal Deposit Insurance Corporation (trust fund).....				-433	-519	-536
Small Business Administration.....	473	1,801	251	452	1,313	305
Other Temporary Study Commissions.....	1	2	*	1	2	*
Total 506.....	1,212	2,599	1,019	645	1,476	548
507 Area and regional development:						
Funds appropriated to the President.....	342	318	302	242	269	299
Department of Commerce ¹	341	386	20	292	299	235
Department of the Interior ¹	261	390	427	282	326	510
Other independent agencies:						
Federal Field Committee for Development Planning in Alaska.....				*		
Appalachian Regional Commission ¹	3	4	4	2	5	4
National Council on Indian Opportunity.....	*	*	*	*	*	*
Joint Federal-State Land Use Planning Commission for Alaska ¹	*	1	1		1	1
Total 507.....	948	1,099	755	818	901	1,050
508 Regulation of business:						
Department of Commerce.....	3	2	3	3	3	3
Department of Justice.....	12	13	13	12	13	13
Department of the Treasury (trust fund).....				-4	-2	-1
Other independent agencies:						
Civil Aeronautics Board.....	14	14	15	13	14	15
Federal Communications Commission.....	32	34	37	29	37	36
Federal Maritime Commission.....	5	6	6	5	6	6
Federal Trade Commission.....	25	30	30	25	29	30
Interstate Commerce Commission.....	60	45	35	60	46	35
Securities and Exchange Commission.....	27	30	31	26	30	31
Total 508.....	177	175	170	168	175	168
Deductions for offsetting receipts:⁷						
Intrabudgetary transactions.....	-64	-115	-71	-64	-115	-71
Proprietary receipts from the public.....	-139	-128	-183	-139	-128	-183
Total commerce and transportation.....	12,734	17,138	12,678	11,201	12,543	11,580

See footnotes at end of table.

Table 14. BUDGET AUTHORITY AND OUTLAYS BY FUNCTION
AND AGENCY (in millions of dollars)—Continued

Function and department or other unit	BUDGET AUTHORITY			OUTLAYS		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
550 COMMUNITY DEVELOPMENT AND HOUSING						
551 Community planning, manage- ment, and development:						
Funds appropriated to the Presi- dent ¹	724	790	*	773	694	328
Department of Agriculture.....	-----	-----	-----	-8	-4	-3
Department of Housing and Urban Development.....	2,278	2,337	405	2,061	2,045	2,145
Other independent agencies:						
Action.....	79	94	92	52	88	86
Legal Services Corporation.....	-----	-----	72	-----	-----	33
Total 551.....	3,081	3,221	569	2,878	2,822	2,590
555 Low and moderate income hous- ing aids:						
Department of Housing and Urban Development.....	1,512	1,918	2,235	1,595	1,120	2,009
556 Maintenance of the housing mortgage market:						
Department of Housing and Urban Development.....	269	779	1,060	-40	193	653
Other independent agencies: Federal Home Loan Bank Board.....	62	-----	-----	-151	-179	-321
Total 556.....	331	779	1,060	-191	15	332
Deductions for offsetting receipts:						
Proprietary receipts from the public..	—*	—*	—*	—*	—*	—*
Total community development and housing.....	4,924	5,918	3,863	4,282	3,957	4,931
600 EDUCATION AND MAN- POWER						
601 Elementary and secondary edu- cation:						
Funds appropriated to the President.....	-----	-----	-----	241	25	-----
Department of Health, Education, and Welfare.....	3,258	3,024	949	2,944	2,898	1,406
Department of the Interior.....	318	361	341	305	339	333
Total 601.....	3,576	3,385	1,290	3,490	3,262	1,739

See footnotes at end of table.

Table 14. BUDGET AUTHORITY AND OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Function and department or other unit	BUDGET AUTHORITY			OUTLAYS		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
600 EDUCATION AND MAN- POWER—Continued						
602 Higher education:						
Department of Health, Education, and Welfare.....	1,540	1,775	1,896	1,397	1,483	1,656
Department of Housing and Urban Development.....	23	13	13	36	13	—20
Department of the Treasury.....	-----	-----	-----	2	*	-----
Total 602.....	1,562	1,788	1,910	1,434	1,496	1,635
603 Vocational education:						
Department of Health, Education, and Welfare.....	584	554	51	521	557	308
604 Education revenue sharing:						
Department of Health, Education, and Welfare.....	-----	-----	2,527	-----	-----	1,693
605 Other education aids:						
Legislative branch ¹	73	83	88	70	81	89
Department of Health, Education, and Welfare ¹	391	630	377	334	475	557
Other independent agencies:						
Corporation for Public Broadcast- ing.....	35	35	45	35	35	45
National Commission on Libraries and Information Science.....	*	*	*	*	*	*
National Foundation on the Arts and the Humanities ¹	69	90	168	44	72	120
Smithsonian Institution ¹	59	110	79	58	85	94
National Commission on the Financ- ing of Postsecondary Education.....	-----	2	-----	-----	1	1
Total 605.....	627	950	757	541	749	906
606 General science:						
Other independent agencies: National Science Foundation ¹	622	646	583	567	573	586
607 Manpower training and employ- ment services:						
Funds appropriated to the President	-----	-----	-----	39	35	-----
Department of Health, Education, and Welfare.....	259	293	534	171	395	540
Department of Labor ¹	3,175	2,936	1,889	2,684	3,056	2,307
Total 607.....	3,434	3,229	2,424	2,894	3,486	2,847

See footnotes at end of table.

Table 14. BUDGET AUTHORITY AND OUTLAYS BY FUNCTION
AND AGENCY (in millions of dollars)—Continued

Function and department or other unit	BUDGET AUTHORITY			OUTLAYS		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
600 EDUCATION AND MAN- POWER—Continued						
609 Other manpower aids:						
Department of Health, Education, and Welfare.....	1	1	1	1	1	1
Department of the Interior.....	83	96	81	75	95	82
Department of Labor ¹	166	214	216	159	198	211
Other independent agencies:						
Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped.....	*	*	*	*	*	*
Equal Employment Opportunity Commission.....	23	32	47	21	30	43
Federal Mediation and Conciliation Service.....	10	11	11	10	10	11
Federal Metal and Nonmetallic Mine Safety Board of Review.....	\$	\$	\$	\$	\$	\$
National Labor Relations Board....	48	50	55	47	50	55
National Mediation Board.....	3	3	3	2	3	3
Occupational Health Safety Review Commission.....	2	4	5	1	4	5
President's Council on Youth Oppor- tunity.....	-----	-----	-----	-----	-----	-----
National Commission on Consumer Finance.....	1	\$	-----	1	1	\$
Total 609.....	337	412	420	318	393	411
Deductions for offsetting receipts:						
Proprietary receipts from the public..	-13	-15	-15	-13	-15	-15
Total education and manpower.....	10,729	10,948	9,947	9,751	10,500	10,110
650 HEALTH						
651 Development of health resources:						
Department of Health, Education, and Welfare.....	3,049	2,403	2,381	2,479	2,688	2,722
Department of Housing and Urban Development.....	-----	-----	-----	—*	*	—*
Total 651.....	3,049	2,403	2,381	2,479	2,688	2,722
652 Providing or financing medical services:						
Department of Health, Education, and Welfare ^{1 3}	14,105	17,198	22,580	14,300	14,814	18,377
Other independent agencies: Civil Service Commission (trust fund)....	-----	-----	-----	—56	—107	—19
Total 652.....	14,105	17,198	22,580	14,245	14,707	18,358

See footnotes at end of table.

Table 14. BUDGET AUTHORITY AND OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Function and department or other unit	BUDGET AUTHORITY			OUTLAYS		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
650 HEALTH—Continued						
653 Prevention and control of health problems:						
Department of Health, Education, and Welfare.....	561	703	1,391	390	601	633
Other independent agencies:						
Consumer Product Safety Commission.....	-----	-----	31	-----	-----	23
National Commission on Marihuana and Drug Abuse.....	1	1	-----	1	2	*
Total 653.....	562	704	1,422	391	602	656
Deductions for offsetting receipts: ⁸						
Proprietary receipts from the public.....	-3	-6	-7	-3	-6	-7
Total health.....	17,712	20,299	26,377	17,112	17,991	21,730
700 INCOME SECURITY						
701 Retirement and social insurance:						
The Judiciary (trust fund).....	2	2	2	1	1	1
Department of Health, Education, and Welfare ^{1 3}	43,055	50,727	58,249	39,827	50,033	55,197
Department of Labor ^{1 3}	5,902	6,011	6,716	7,088	6,205	5,467
Department of State (trust fund) ³	31	46	48	26	29	32
Other independent agencies:						
Civil Service Commission (trust fund) ³	6,731	7,560	8,577	3,658	4,306	4,690
Railroad Retirement Board ^{1 3}	2,032	2,273	3,175	2,127	2,448	2,619
Commission on Railroad Retirement.....	1	*	-----	1	*	-----
Total 701.....	57,754	66,619	76,767	52,728	63,023	68,006
702 Public assistance:						
Department of Agriculture.....	2,985	3,183	2,976	2,625	2,891	2,983
Department of Health, Education, and Welfare.....	6,293	6,710	7,672	6,688	6,182	7,682
Total 702.....	9,278	9,893	10,648	9,313	9,073	10,665

See footnotes at end of table.

Table 14. BUDGET AUTHORITY AND OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Function and department or other unit	BUDGET AUTHORITY			OUTLAYS		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
700 INCOME SECURITY—Con.						
703 Social and individual services:						
The Judiciary (trust fund).....	2	2	2	2	2	2
Funds appropriated to the President.....	85	592	100	92	325	250
Department of Health, Education, and Welfare.....	2,638	3,869	3,298	2,754	3,481	3,080
Other independent agencies: National Credit Union Administra- tion.....				—10	—8	—10
Total 703.....	2,725	4,463	3,400	2,838	3,800	3,321
Deductions for offsetting receipts: ⁹						
Proprietary receipts from the public.....	—3	—6	—16	—3	—6	—16
Total income security.....	69,754	80,969	90,799	64,876	75,889	81,976
800 VETERANS BENEFITS AND SERVICES						
801 Income security for veterans:						
Veterans Administration ¹	7,026	7,220	7,065	6,833	7,025	6,814
802 Veterans education, training and rehabilitation:						
Veterans Administration.....	1,931	2,598	2,526	1,960	2,597	2,521
803 Veterans housing:						
Department of Housing and Urban Development.....				—17	—8	—16
Veterans Administration.....	6	5	4	—300	—441	—253
Total 803.....	6	5	4	—317	—449	—269
804 Hospital and medical care for Veterans:						
Veterans Administration ¹	2,499	2,903	2,784	2,428	2,741	2,792
809 Other veterans benefits and Services:						
Department of Defense—Civil ¹	34	41	40	33	41	41
Veterans Administration.....	322	323	316	281	319	315
Other independent agencies: American Battle Monuments Com- mission ¹	3	4	4	3	4	4
Total 809.....	360	368	359	318	363	360
Deductions for offsetting receipts:						
Intrabudgetary transactions.....	—2	—2	—2	—2	—2	—2
Proprietary receipts from the public.....	—489	—480	—484	—489	—480	—484
Total veterans benefits and services.....	11,330	12,611	12,253	10,731	11,795	11,732

See footnotes at end of table.

Table 14. BUDGET AUTHORITY AND OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Function and department or other unit	BUDGET AUTHORITY			OUTLAYS		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
850 INTEREST						
851 Interest on the public debt:						
Department of the Treasury.....	21,849	24,200	26,100	21,849	24,200	26,100
852 Interest on refunds of receipts:						
Department of the Treasury.....	182	175	175	182	175	175
853 Interest on uninvested funds:						
Department of the Treasury.....	6	5	5	6	5	5
Deductions for offsetting receipts:						
Intrabudgetary transactions.....	-1,022	-1,181	-1,155	-1,022	-1,181	-1,155
Proprietary receipts from the public..	-433	-392	-453	-433	-392	-453
Total interest.....	20,582	22,808	24,672	20,582	22,808	24,672
900 GENERAL GOVERNMENT						
901 Legislative functions:						
Legislative branch.....	387	379	362	311	329	383
902 Judicial functions:						
The Judiciary.....	176	194	205	172	193	205
Other independent agencies: Indian						
Claims Commission.....	1	1	1	1	1	1
Total 902.....	177	195	207	173	194	206
903 Executive direction and manage- ment:						
Executive Office of the President....	57	108	118	51	92	86
Funds appropriated to the President..	22	39	58	15	42	57
Department of the Treasury.....	2	1	2	1	2	1
General Services Administration.....	*	1	*	*	*	*
Other independent agencies:						
Advisory Committee on Federal						
Pay.....			*			*
Other temporary study commis- sions.....	2	5		*	2	4
Total 903.....	84	154	177	68	138	148
904 Central fiscal operations:						
Legislative branch ¹	113	104	111	93	109	121
Department of the Treasury ¹	1,594	1,641	1,738	1,549	1,660	1,727
Other independent agencies:						
Renegotiation Board.....	5	5	5	5	5	5
Joint Commission on the Coinage..					*	
Total 904.....	1,713	1,749	1,854	1,647	1,774	1,852

See footnotes at end of table.

Table 14. BUDGET AUTHORITY AND OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Function and department or other unit	BUDGET AUTHORITY			OUTLAYS		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
900 GENERAL GOVERNMENT—Con.						
905 General property and records management:						
General Services Administration ¹ ----	917	957	594	721	900	917
Other independent agencies:						
Central Intelligence Agency-----	-----	-----	-----	*	-----	-----
Commission on Government Pro- curement-----	4	-----	-----	3	2	-----
Total 905-----	922	957	594	725	902	917
906 Central personnel management:						
Department of Labor ^{1 3} -----	112	108	141	104	105	141
Other independent agencies:						
Civil Service Commission ^{1 3} -----	185	220	201	170	222	205
Commission on Executive, Legisla- tive and Judicial Salaries-----	-----	*	-----	-----	*	-----
Total 906-----	298	329	343	275	327	347
908 Law enforcement and justice:						
Department of Justice ¹ -----	1,560	1,763	1,823	1,170	1,485	1,726
Department of the Treasury-----	79	142	145	58	138	143
Other independent agencies:						
Administrative Conference of the United States-----	*	*	1	*	*	1
Cabinet Committee on Oppor- tunities for Spanish-Speaking People-----	1	1	1	1	1	1
Commission on Civil Rights-----	4	5	6	4	5	6
Subversive Activities Control Board-----	*	*	-----	*	*	-----
Other Temporary Study Commis- sions-----	-----	-----	1	*	-----	1
Total 908-----	1,645	1,912	1,977	1,233	1,630	1,877
909 National capital region:						
Other independent agencies:						
Commission of Fine Arts-----	*	*	*	*	*	*
District of Columbia-----	319	366	474	364	424	464
Interstate Commission on the Poto- mac River Basin-----	*	*	*	*	*	*
Washington Metropolitan Area Transit Authority-----	188	179	151	84	80	167
National Capital Planning Com- mission ¹ -----	1	2	2	1	2	1
Pennsylvania Avenue Development Corporation-----	-----	1	*	-----	*	1
Commission on the Organization of the Government of the Dis- trict of Columbia-----	*	-----	-----	1	*	-----
Total 909-----	509	547	627	450	506	634

See footnotes at end of table.

Table 14. BUDGET AUTHORITY AND OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Function and department or other unit	BUDGET AUTHORITY			OUTLAYS		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
900 GENERAL GOVERNMENT—Con.						
910 Other general government:						
Legislative branch.....	18	29	44	28	22	29
Department of Defense—Civil.....	59	60	64	59	65	64
Department of the Interior.....	126	101	89	88	114	98
Department of the Treasury ¹	171	195	224	166	196	224
Other independent agencies:						
American Revolution Bicentennial Commission.....	5	12	15	2	8	13
Other historical and memorial com- missions ¹	1	*	-----	*	1	*
Advisory Commission on Intergov- ernmental Relations ¹	1	1	1	1	1	1
Commission on Population Growth and the American Future.....	1	-----	-----	1	*	-----
Total 910.....	380	398	437	345	406	429
Deductions for offsetting receipts: ¹⁰						
Intrabudgetary transactions.....	-131	-147	-432	-131	-147	-432
Proprietary receipts from the public.....	-204	-429	-335	-204	-429	-335
Total general government.....	5,779	6,044	5,809	4,891	5,631	6,025
940 GENERAL REVENUE SHAR- ING						
Department of the Treasury ^{1 3 11}	-----	8,295	6,055	-----	6,786	6,035
OTHER						
Allowances for contingencies and civil- ian agency pay raises.....	-----	750	2,000	-----	500	1,750
Undistributed intragovernmental trans- actions:						
Employer share, employee retirement.....	-2,768	-2,980	-3,157	-2,768	-2,980	-3,157
Interest received by trust funds.....	-5,089	-5,401	-5,974	-5,089	-5,401	-5,974
Total budget authority and outlays.....	248,097	280,366	288,029	231,876	249,796	268,665

See footnotes at end of table.

Table 14. BUDGET AUTHORITY AND OUTLAYS BY FUNCTION
AND AGENCY (in millions of dollars)—Continued

Function and department or other unit	BUDGET AUTHORITY			OUTLAYS		
	1972 actual	1973 esti- mate	1974 esti- mate	1972 actual	1973 esti- mate	1974 esti- mate
MEMORANDUM						
Federal funds.....	185,761	209,114	202,919	177,959	188,390	199,108
Trust funds.....	75,492	92,470	105,907	67,073	82,624	90,354
Intragovernmental transactions.....	-13,156	-21,218	-20,797	-13,156	-21,218	-20,797

¹ Includes both Federal and trust funds.

² Net of interfund and intragovernmental transactions, and proprietary receipts from the public.

³ Net of interfund and intragovernmental transactions.

⁴ Excludes offsetting receipts which have been distributed by subfunction above: 1972, \$1,279 million; 1973, \$2,511 million; 1974, \$2,717 million.

⁵ Excludes offsetting receipts which have been distributed by subfunction above: 1972, \$9 million; 1973, \$14 million; 1974, \$15 million.

⁶ Excludes offsetting receipts which have been distributed by subfunction above: 1972, \$0; 1973, \$0.5 million; 1974, \$1.1 million.

⁷ Excludes offsetting receipts which have been distributed by subfunction above: 1972, \$902 million; 1973, \$73 million; 1974, \$0.

⁸ Excludes offsetting receipts which have been distributed by subfunction above: 1972, \$1,917 million; 1973, \$1,855 million; 1974, \$2,616 million.

⁹ Excludes offsetting receipts which have been distributed by subfunction above: 1972, \$1,896 million; 1973, \$1,620 million; 1974, \$1,534 million.

¹⁰ Excludes offsetting receipts which have been distributed by subfunction above: 1972, \$1,161 million; 1973, \$1,593 million; 1974, \$1,980 million.

¹¹ Excludes offsetting receipts which have been distributed by subfunction above: 1972, \$0; 1973, \$8,295 million; 1974, \$6,055 million.

*Less than \$500 thousand.

Table 15. LEGISLATIVE PROPOSALS FOR MAJOR NEW AND EXPANDED PROGRAMS IN THE 1974 BUDGET
PROJECTION OF COSTS¹ (in millions of dollars)

Description	Fiscal year estimate							Explanation
	1973	1974	1975	1976	1977	1978		
Funds appropriated to the President.	BA ²	119	119	119	119	10	-----	Contributions to Asian Development Bank and new UN Environment Fund.
	O ²	-----	13	15	16	18	19	
Department of Defense:								
All Volunteer Armed Force.	BA	-----	150	223	291	229	190	Revises special pay structure for uniformed services.
	O	-----	140	219	287	235	196	
Military retirement systems.	BA	-----	390	393	396	398	398	Provides for improved retention incentives and other reforms.
	O	-----	370	395	397	399	400	
Department of Health, Education, and Welfare:								
Health insurance.	BA	-----	-----	200	800	500	300	
	O	-----	-----	200	800	500	300	
Education special revenue sharing ³	BA	-----	(2,771)	(2,771)	(2,771)	(2,771)	(2,771)	
	O	-----	(1,937)	(2,771)	(2,771)	(2,771)	(2,771)	
Allied services	BA	-----	20	20	20	20	20	Provides grants for improving State and local planning and delivery of social services.
	O	-----	-----	15	20	20	20	
Department of Housing and Urban Development:								
Urban community development	BA	-----	-----	(2,300)	(2,300)	(2,300)	(2,300)	
special revenue sharing ³	O	-----	-----	(560)	(1,700)	(2,200)	(2,300)	
Department of the Interior:								
Indian programs	BA	5	34	34	34	34	34	Provides for loans and grants to Indians for resource, human, and economic development.
	O	1	30	30	30	30	30	

Land use and environmental programs.	BA	-----	32	52	57	50	50	Provides for land use control, mined area protection, and other environmental legislation.
	O	-----	21	31	41	50	50	
Department of Justice:								
Law enforcement special revenue sharing. ³	BA	-----	(800)	(800)	(800)	(800)	(800)	Includes both formula payments and discretionary grants.
	O	-----	(221)	(500)	(800)	(800)	(800)	
Allowance for relatively small and unforeseen items.	BA	150	250	350	400	450	500	
	O	100	150	250	300	350	400	

¹ This table is supplied pursuant to the requirements of sec. 221(a) of the Legislative Reorganization Act of 1970 (Public Law 91-510). The estimates represent simple projections of cost expressed in constant dollars at prices existing at the time the estimates are prepared. They are not intended to predict future economic conditions; they do not reflect possible changes in the scope or quality of the proposal which might result from experience gained in actual practice; nor do they reflect in all cases possible reductions in the costs of other programs that may come about as a result of adoption of the proposals. Further, the resources which might appropriately be applied in later years will require a reexamination of the relative priorities of these and other Government programs, in the light of economic and other circumstances then prevailing. Thus, the estimates do not represent a commitment as to amounts to be included in future budgets.

² BA represents budget authority and O represents outlays.

³ The costs of these new programs are approximately the same as the costs of the narrower categorical grant programs they would replace.

Table 16. BUDGET RECEIPTS BY SOURCE, 1964-1974 (in millions of dollars)

Source	Actual							Estimate			
	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
Individual income taxes-----	48,697	48,792	55,446	61,526	68,726	87,249	90,412	86,230	94,737	99,400	111,600
Corporation income taxes-----	23,493	25,461	30,073	33,971	28,665	36,678	32,829	26,785	32,166	33,500	37,000
Social insurance taxes and contributions (trust funds):											
Employment taxes and contributions:											
Old-age and survivors insurance-----	15,242	15,567	17,556	22,197	22,265	25,484	29,396	31,354	35,132	41,170	48,468
Disability insurance-----	1,124	1,156	1,530	2,204	2,651	3,469	4,063	4,490	4,775	5,423	6,199
Hospital insurance-----	-----	-----	893	2,645	3,493	4,398	4,755	4,874	5,205	7,848	11,294
Railroad retirement-----	593	636	683	776	814	885	919	980	1,008	1,169	1,906
Total employment taxes and contributions-----	16,959	17,359	20,662	27,823	29,224	34,236	39,133	41,699	46,120	55,610	67,866
Unemployment insurance-----	4,045	3,819	3,777	3,659	3,346	3,328	3,464	3,674	4,357	5,262	6,267
Contributions for other insurance and retirement:											
Supplementary medical insurance-----	-----	-----	-----	647	698	903	936	1,253	1,340	1,424	1,700
Employees retirement—employee contributions-----	993	1,065	1,111	1,201	1,334	1,426	1,735	1,916	2,058	2,202	2,286
Other retirement contributions-----	15	16	18	19	20	24	29	37	39	41	43
Total contributions for other insurance and retirement-----	1,008	1,081	1,129	1,867	2,052	2,353	2,701	3,205	3,437	3,667	4,029
Total social insurance taxes and contributions-----	22,012	22,258	25,567	33,349	34,622	39,918	45,298	48,578	53,914	64,540	78,162

* Includes both Federal funds and trust funds.

Table 17. BUDGET OUTLAYS BY FUNCTION, 1964-1974 (in millions of dollars)

Function	Actual										Estimate	
	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	
050 National defense:												
051 Department of Defense—Military ¹												
Military personnel.....	12,986	13,387	15,162	17,956	19,859	21,374	23,031	22,633	23,036	23,085	22,500	
Retired military personnel.....	1,209	1,384	1,591	1,830	2,095	2,444	2,849	3,386	3,885	4,442	4,706	
Operation and maintenance.....	11,932	12,349	14,710	19,000	20,578	22,227	21,609	20,941	21,675	21,540	21,662	
Procurement.....	15,351	11,839	14,339	19,012	23,283	23,988	21,584	18,858	17,131	15,600	16,490	
Research and development.....	7,021	6,236	6,239	7,160	7,747	7,457	7,166	7,303	7,881	7,622	8,069	
Military construction and other.....	1,236	928	2,279	2,636	3,975	525	1,059	1,552	1,655	1,312	1,684	
Allowances ²	---	---	---	---	---	---	---	---	---	---	---	
Deductions for offsetting receipts.....	-159	-150	-160	-138	-164	-143	-148	-126	-113	-111	-101	
Subtotal, Department of Defense—Military.....	49,577	45,973	54,178	67,457	77,373	77,872	77,150	74,546	75,151	74,200	78,200	
057 Military assistance ¹	1,209	1,125	1,003	858	654	789	731	999	806	600	800	
058 Atomic energy ¹	2,764	2,625	2,403	2,264	2,466	2,450	2,453	2,275	2,392	2,194	2,374	
059 Defense-related activities.....	172	136	-62	-17	139	260	79	-70	95	192	83	
Deductions for offsetting receipts ³	-130	-281	-738	-481	-116	-138	-118	-89	-108	-751	-382	
Total national defense.....	53,591	49,578	56,795	70,081	80,517	81,232	80,295	77,661	78,336	76,435	81,074	
150 International affairs and finance:												
151 Conduct of foreign affairs ¹	296	347	315	336	354	371	398	405	452	503	538	
152 Economic and financial assistance.....	1,756	2,041	2,329	3,057	3,053	2,420	2,231	1,807	2,287	2,273	2,408	
153 Foreign information and exchange activities.....	207	223	227	245	253	237	235	242	274	294	312	
154 Food for Peace.....	2,049	1,852	1,784	1,452	1,204	975	937	918	993	847	766	
Deductions for offsetting receipts ³	-191	-123	-165	-542	-245	-217	-232	-276	-280	-575	-213	
Total international affairs and finance.....	4,117	4,340	4,490	4,547	4,619	3,785	3,570	3,095	3,726	3,341	3,811	
250 Space research and technology:												
251 Manned space flight.....	2,768	3,538	4,210	3,649	3,096	2,781	2,209	1,885	1,740	1,417	1,450	
252 Space science and applications.....	754	751	778	796	700	569	656	661	890	943	966	
253 Space technology.....	432	484	435	440	410	344	328	272	228	156	139	

254	Aeronautical technology.....	40	58	75	89	128	168	188	210	227	249	269
259	Supporting space activities.....	178	262	435	452	390	390	374	365	349	307	313
	Deductions for offsetting receipts.....	-1	-2	-1	-2	-3	-6	-6	-11	-13	-11	-1
	Total space research and technology.....	4,170	5,091	5,933	5,423	4,721	4,247	3,749	3,381	3,422	3,061	3,135
350	Agriculture and rural development:											
351	Farm income stabilization.....	4,134	3,667	2,536	3,167	4,542	5,000	4,589	3,651	5,146	4,251	3,920
352	Rural housing and public facilities.....	513	569	468	511	678	490	754	503	877	657	717
354	Agricultural land and water resources.....	325	342	347	353	351	343	344	346	354	394	217
355	Research and other agricultural services.....	440	483	528	567	615	642	730	813	916	1,001	971
	Deductions for offsetting receipts.....	-228	-257	-203	-224	-246	-258	-216	-217	-230	-239	-253
	Total agriculture and rural development.....	5,184	4,805	3,676	4,373	5,940	6,218	6,201	5,096	7,063	6,064	5,572
400	Natural resources and environment:											
401	Water resources and power.....	1,703	1,761	1,940	2,025	2,070	2,042	1,984	2,390	2,664	3,065	2,795
402	Land management.....	459	509	556	618	639	643	754	837	892	1,008	929
403	Mineral resources.....	46	59	62	73	85	71	94	130	112	151	131
404	Pollution control and abatement ¹	117	134	158	190	249	303	350	701	763	1,148	2,128
405	Recreational resources.....	202	215	241	285	331	372	370	479	524	641	701
409	Other natural resources programs.....	70	79	90	93	102	107	122	136	153	174	191
	Deductions for offsetting receipts ³	-632	-701	-1,011	-1,408	-1,754	-1,369	-1,106	-1,959	-1,347	-5,310	-3,214
	Total natural resources and environment.....	1,966	2,056	2,036	1,878	1,722	2,169	2,568	2,716	3,761	876	3,663
500	Commerce and transportation:											
501	Air transportation ¹	835	875	879	945	951	1,042	1,223	1,602	1,685	1,760	1,877
502	Water transportation.....	658	728	708	773	852	870	909	1,049	1,106	1,200	1,282
503	Ground transportation.....	3,686	4,092	4,043	4,093	4,367	4,413	4,632	5,070	5,210	5,564	5,536
505	Postal Service.....	578	805	888	1,141	1,080	920	1,510	2,183	1,772	1,710	1,373
506	Advancement of business.....	252	405	351	332	447	152	487	738	645	1,476	548
507	Area and regional development.....	538	557	315	318	472	584	590	717	818	901	1,050
508	Regulation of business.....	91	98	99	119	99	108	121	181	168	175	168
	Deductions for offsetting receipts ²	-128	-160	-112	-127	-173	-170	-162	-230	-203	-244	-254
	Total commerce and transportation.....	6,511	7,399	7,171	7,594	8,094	7,921	9,310	11,310	11,201	12,543	11,580

See footnotes at end of table.

Table 17. BUDGET OUTLAYS BY FUNCTION, 1964-1974 (in millions of dollars)—Continued

Function	Actual							Estimate			
	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
550 Community development and housing:											
551 Community planning, management, and development.....	320	460	721	1,023	1,277	1,509	2,171	2,486	2,878	2,822	2,590
555 Low and moderate income housing aids.....	37	81	391	478	948	871	1,280	1,243	1,595	1,120	2,009
556 Maintenance of the housing mortgage market.....	-511	-237	1,545	1,133	1,863	-406	-487	-319	-191	15	332
Deductions for offsetting receipts.....	-31	-16	-13	-19	-12	-13	-*	-53	-*	-*	-*
Total community development and housing.....	-185	288	2,644	2,616	4,076	1,961	2,965	3,357	4,282	3,957	4,931
600 Education and manpower:											
601 Elementary and secondary education.....	566	645	1,804	2,441	2,596	2,481	2,968	3,164	3,490	3,262	1,739
602 Higher education.....	383	414	705	1,159	1,392	1,231	1,382	1,429	1,434	1,496	1,635
603 Vocational education.....	41	132	136	250	265	262	289	415	521	557	308
604 Education revenue sharing.....	110	158	155	264	334	373	429	534	541	749	1,693
605 Other education aids.....	310	309	368	415	449	490	464	522	567	573	906
606 General science.....	299	534	989	1,236	1,587	1,560	1,602	1,952	2,894	3,486	2,847
607 Manpower training and employment services.....	49	100	112	100	132	142	169	223	318	393	411
609 Other manpower aids.....	-5	-9	-11	-14	-16	-15	-15	-13	-13	-15	-15
Deductions for offsetting receipts.....											
Total education and manpower.....	1,751	2,284	4,258	5,853	6,739	6,525	7,289	8,226	9,751	10,500	10,110
650 Health:											
651 Development of health resources.....	1,163	1,023	1,140	1,424	1,829	1,920	2,122	2,221	2,479	2,688	2,722
652 Providing or financing medical services ¹	393	493	1,165	4,994	7,516	9,416	10,484	11,926	14,245	14,707	18,358
653 Prevention and control of health problems.....	161	189	204	252	265	277	307	319	391	602	656
Deductions for offsetting receipts ³	-1	-1	-1	-2	-3	-2	-6	-3	-3	-6	-7
Total health.....	1,716	1,704	2,509	6,667	9,608	11,611	12,907	14,463	17,112	17,991	21,730
700 Income security:											
701 Retirement and social insurance ¹	22,234	22,530	25,563	27,351	29,566	32,540	37,275	46,749	52,728	63,023	68,006

702 Public assistance.....	3,085	3,119	3,151	3,180	3,726	4,272	5,186	7,775	9,313	9,073	10,665
703 Social and individual services.....	199	249	410	692	831	888	1,331	1,617	2,838	3,800	3,321
Deductions for offsetting receipts ³	-409	-196	-109	-59	-16	-1	-1	-1	-3	-6	-16
Total income security.....	25,110	25,702	29,016	31,164	34,108	37,699	43,790	56,140	64,876	75,889	81,976
800 Veterans benefits and services:											
801 Income security for veterans.....	4,646	4,710	4,700	5,209	4,997	5,528	6,021	6,448	6,833	7,025	6,814
802 Veterans education, training, and rehabilitation.....	77	58	54	305	478	701	1,015	1,659	1,960	2,597	2,521
803 Veterans housing.....	44	*	169	304	210	102	54	-179	-317	-449	-269
804 Hospital and medical care for veterans.....	1,231	1,271	1,320	1,393	1,472	1,566	1,802	2,038	2,428	2,741	2,792
809 Other veterans benefits and services.....	185	179	196	195	218	237	260	294	318	363	360
Deductions for offsetting receipts.....	-502	-497	-518	-509	-492	-493	-477	-484	-491	-483	-486
Total veterans benefits and services.....	5,681	5,722	5,920	6,897	6,882	7,640	8,677	9,776	10,731	11,795	11,732
850 Interest:											
851 Interest on the public debt.....	10,666	11,346	12,014	13,391	14,573	16,588	19,304	20,959	21,849	24,200	26,100
852 Interest on refunds of receipts.....	88	77	104	120	120	120	113	132	182	175	175
853 Interest on uninvested funds.....	11	12	14	13	10	7	6	6	6	5	5
Deductions for offsetting receipts.....	-955	-1,078	-846	-936	-959	-925	-1,110	-1,487	-1,455	-1,573	-1,608
Total interest.....	9,810	10,357	11,285	12,588	13,744	15,791	18,312	19,609	20,582	22,808	24,672
900 General Government:											
901 Legislative functions.....	126	142	159	167	180	192	229	256	311	329	383
902 Judicial functions.....	66	76	79	87	94	110	133	146	173	194	206
903 Executive direction and management.....	22	23	24	25	27	31	37	45	68	138	148
904 Central fiscal operations.....	808	844	886	969	1,024	1,094	1,271	1,414	1,647	1,774	1,852
905 General property and records management.....	576	606	585	658	591	590	619	640	725	902	917
906 Central personnel management ¹	110	107	107	116	140	146	166	218	275	327	347
908 Law enforcement and justice.....	335	366	385	426	452	534	666	959	1,233	1,877	1,877
909 National capital region.....	58	61	73	87	143	205	265	275	450	506	634
910 Other general government.....	189	190	192	218	243	268	273	341	345	406	429
Deductions for offsetting receipts ³	-249	-206	-197	-243	-333	-305	-322	-324	-335	-576	-768
Total general government.....	2,040	2,210	2,292	2,510	2,561	2,866	3,336	3,970	4,891	5,631	6,025

See footnotes at end of table.

Table 17. BUDGET OUTLAYS BY FUNCTION, 1964-1974 (in millions of dollars)—Continued

Function	Actual										Estimate	
	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	
940 General revenue sharing.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	6,786	6,035	
Allowances for contingencies and civilian agency pay raises.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	
Undistributed intragovernmental transactions:												
Employer share, employee retirement.....	-1,256	-1,329	-1,447	-1,661	-1,825	-2,018	-2,444	-2,611	-2,768	-2,980	-3,157	
Interest received by trust funds.....	-1,621	-1,780	-1,917	-2,275	-2,674	-3,099	-3,936	-4,765	-5,089	-5,401	-5,974	
Total outlays.....	118,584	118,430	134,652	158,254	178,833	184,548	196,588	211,425	231,876	249,796	268,665	
Federal funds.....	95,761	94,807	106,512	126,779	143,105	148,811	156,301	163,651	177,959	188,390	199,108	
Trust funds.....	25,884	26,962	31,708	36,693	41,499	43,284	49,065	59,361	67,073	82,624	90,354	
Intragovernmental transactions.....	-3,061	-3,339	-3,568	-5,218	-5,771	-7,547	-8,778	-11,586	-13,156	-21,218	-20,797	

¹ Entries net of offsetting receipts.² Includes allowances for All-Volunteer Forces, retirement systems reform, and civilian and military pay raises for Department of Defense.³ Excludes offsetting receipts which have been distributed by subfunction above.⁴ Less than \$500 thousand.

Table 18. FEDERAL TRANSACTIONS IN THE NATIONAL INCOME ACCOUNTS, 1963-1974 (in billions of dollars)

Description	Actual										Estimate	
	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
RECEIPTS, NATIONAL INCOME BASIS												
Personal taxes and nontaxes.....	49.6	50.7	51.3	57.6	64.5	71.4	90.0	93.7	87.1	100.1	104.2	116.6
Corporate profits tax accruals.....	23.5	25.7	27.7	31.0	31.2	33.7	37.4	33.1	32.0	33.5	38.7	41.6
Indirect business tax and nontax accruals.....	15.0	15.6	16.9	15.7	15.8	17.1	18.6	19.2	20.1	20.1	20.5	21.6
Contributions for social insurance.....	22.1	23.5	24.6	28.5	35.7	38.3	44.4	49.0	53.8	58.3	69.8	83.2
Total receipts, national income basis...	110.2	115.5	120.5	132.8	147.2	160.6	190.4	195.0	193.0	211.9	233.3	263.0
EXPENDITURES, NATIONAL INCOME BASIS												
Purchases of goods and services.....	63.4	65.7	64.4	71.7	85.3	94.9	99.4	98.3	95.8	103.1	105.8	111.5
Defense.....	(50.4)	(50.9)	(48.9)	(54.4)	(67.7)	(75.9)	(78.0)	(77.3)	(73.2)	(74.3)	(74.6)	(75.9)
Nondefense.....	(13.0)	(14.7)	(15.5)	(17.3)	(17.6)	(18.9)	(21.4)	(21.0)	(22.6)	(28.8)	(31.1)	(35.6)
Transfer payments.....	28.5	29.5	30.5	34.2	39.4	44.8	50.7	56.8	69.8	78.6	91.6	101.9
Domestic ("to persons").....	(26.4)	(27.3)	(28.3)	(31.8)	(37.2)	(42.7)	(48.5)	(54.8)	(67.5)	(75.8)	(88.9)	(99.1)
Foreign.....	(2.1)	(2.2)	(2.2)	(2.3)	(2.2)	(2.1)	(2.2)	(2.0)	(2.3)	(2.8)	(2.7)	(2.8)
Grants-in-aid to State and local governments.....	8.4	9.8	10.9	12.7	14.8	17.8	19.2	22.6	27.0	32.7	41.6	41.6
Net interest paid.....	7.5	8.1	8.5	9.0	9.9	10.9	12.3	14.0	14.3	13.5	14.6	15.8
Subsidies less current surplus of Government enterprises.....	3.6	3.8	4.1	4.5	5.1	4.1	4.1	4.7	5.8	5.2	6.3	4.8
Wage accruals less disbursements.....	---	---	---	---	---	---	---	---	---	---	---	---
Total expenditures, national income basis.....	111.4	116.9	118.5	131.9	154.5	172.5	185.7	196.3	212.8	233.1	259.9	275.5
Excess of receipts (+) or expenditures (-), national income basis.....	-1.2	-1.4	+2.0	+9	-7.3	-11.9	+4.7	-1.3	-19.7	-21.1	-26.6	-12.5

Source.—Actual data for 1963-72 are based on the estimates prepared by the Department of Commerce. Data for 1973 and 1974 are based on estimates by the Office of Management and Budget in cooperation with the Department of Commerce.

Table 19. FEDERAL FINANCES AND THE GROSS NATIONAL PRODUCT, 1954-1973 (dollar amounts in billions)

Fiscal year	Gross national product	Budget receipts		Budget outlays		Total		Federal debt, end of year	
		Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP
1954	362.1	69.7	19.3	70.9	19.6	270.8	74.8	224.5	62.0
1955	378.6	65.5	17.3	68.5	18.1	274.4	72.5	226.6	59.9
1956	409.4	74.5	18.2	70.5	17.2	272.8	66.6	222.2	54.3
1957	431.3	80.0	18.5	76.7	17.8	272.4	63.1	219.4	50.9
1958	440.3	79.6	18.1	82.6	18.8	279.7	63.5	226.4	51.4
1959	469.1	79.2	16.9	92.1	19.6	287.8	61.3	235.0	50.1
1960	495.2	92.5	18.7	92.2	18.6	290.9	58.7	237.2	47.9
1961	506.5	94.4	18.6	97.8	19.3	292.9	57.8	238.6	47.1
1962	542.1	99.7	18.4	106.8	19.7	303.3	55.9	248.4	45.8
1963	573.4	106.6	18.6	111.3	19.4	310.8	54.2	254.5	44.4
1964	612.2	112.7	18.4	118.6	19.4	316.8	51.7	257.6	42.1
1965	654.2	116.8	17.9	118.4	18.1	323.2	49.4	261.6	40.0
1966	721.2	130.9	18.1	134.7	18.7	329.5	45.7	264.7	36.7
1967	769.8	149.6	19.4	158.3	20.6	341.3	44.3	267.5	34.8
1968	826.0	153.7	18.6	178.8	21.6	369.8	44.8	290.6	35.2
1969	898.3	187.8	20.9	184.5	20.5	367.1	40.9	279.5	31.1
1970	955.0	193.7	20.3	196.6	20.6	382.6	40.1	284.9	29.8
1971	1,010.4	188.4	18.6	211.4	20.9	409.5	40.5	304.3	30.1
1972	1,093.1	208.6	19.1	231.9	21.2	437.3	40.0	323.8	29.6
1973 estimate	1,209.9	225.0	18.6	249.8	20.6	473.3	39.1	348.8	28.8

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

Federal Funds

General and special funds:

OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of Agriculture, including the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, and for general administration of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, and not to exceed \$15,000 for employment under 5 U.S.C. 3109, **[\$11,112,000]** \$10,933,000, of which **[\$3,464,000]** \$3,029,000 shall be available for the Office of Information and, of which total appropriation not to exceed \$612,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be available to be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U.S.C. 417), and not less than two hundred and thirty-two thousand two hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U.S.C. 241): *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558: *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided*, That in the preparation of motion pictures or exhibits by the Department, this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225). (7 U.S.C. 450c-450g, 2201-2206, 2210-2213; secs. 2201, 2202—establishing the Department of Agriculture, which was implemented by the Act of July 24, 1919 (7 U.S.C. 450b, 2220), apply to all appropriation items of the Department which are not based upon specific legislative authority either incorporated in the language of the item or cited immediately thereunder; 5 U.S.C. 5901; 7 U.S.C. 2231, 2232, 2235; 42 U.S.C. 2000d; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-03-0115-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
1. Program and policy direction and coordination:			
(a) Office of the Secretary and Under Secretary	1,386	1,242	1,260
(b) Assistant secretaries	490	470	475
2. Budgetary and financial administration	1,065	1,121	1,122
3. General operations	923	924	926
4. Management and ADP systems	541	542	544
5. Personnel administration	1,070	1,074	1,332
6. Regulatory hearings and decisions	364	358	362
7. Equal opportunity	1,118	1,846	1,883
8. Information services	2,446	2,952	3,029
Total direct program	9,403	10,529	10,933
Reimbursable program:			
1. Program and policy direction and coordination:			
(a) Office of the Secretary and Under Secretary	322	365	365

(b) Assistant secretaries	1		
2. Budgetary and financial administration	4	2	2
4. Management and ADP systems	9		
5. Personnel administration	107	206	123
6. Regulatory hearings and decisions	63	76	76
8. Information services	97	92	92
Total reimbursable program	603	741	658
Total program costs, funded ¹	10,007	11,270	11,591
Change in selected resources ²	-46		
10 Total obligations	9,961	11,270	11,591
Financing:			
Receipts and reimbursements from:			
11 Federal funds	-531	-668	-585
14 Non-Federal sources	-72	-73	-73
25 Unobligated balance lapsing	126	583	
40 Budget authority (appropriation)	9,485	11,112	10,933
Relation of obligations to outlays:			
71 Obligations incurred, net	9,359	10,529	10,933
72 Obligated balance, start of year	964	1,064	1,312
74 Obligated balance, end of year	-1,064	-1,312	-1,571
77 Adjustments in expired accounts	29		
90 Outlays	9,288	10,281	10,674

¹ Includes capital outlay as follows: 1972, \$99 thousand; 1973, \$103 thousand; 1974, \$103 thousand.

² Selected resources as of June 30 are as follows:

	1971	1972 adjust- ments	1972	1973	1974
Stores	274	-	333	333	333
Undelivered orders	487	88	470	470	470
Total selected resources	761	88	803	803	803

The Office of the Secretary covers the overall planning, coordination, and administration of the Department's programs. Also included are certain services on a departmentwide basis.

2. *Budgetary and financial administration.*—This covers departmental budgetary and financial management; management of the Department's centralized payroll and voucher payment systems, development of policies and procedures for financial management; and evaluation of program and legislative proposals for budgetary, financial and related implications.

3. *General operations.*—These embrace departmental policies and procedures for telecommunications, construction, contracting, procurement, property, mail, space, supply, and transportation management; and departmentwide central services of mail distribution, reproduction, and supply are furnished.

4. *Management and ADP systems.*—This covers the coordination and direction of the development of new and improved management techniques; the development of information systems for the Department; the management of data processing and the operation of departmental computer centers; development of methods of measuring the efficiency and performance of program operations; and records management, cost reduction and the management improvement program of the Department.

General and special funds—Continued

OFFICE OF THE SECRETARY—Continued

5. *Personnel administration.*—This covers general direction, leadership, and coordination of the personnel management program of the Department. Departmental policies and procedures are issued and the Office coordinates a review program to evaluate the effectiveness of agency personnel programs.

6. *Regulatory hearings and decisions.*—The administrative law judges hold hearings in connection with the prescribing of new regulations and orders and on disciplinary complaints filed by the Department or on petitions filed by private parties asking relief from some action of the Department. Final administrative decisions in regulatory proceedings are rendered by the judicial officer. "Agriculture Decisions" is published monthly.

7. *Equal opportunity.*—This covers program and policy direction in the development and enforcement of Department equal opportunity responsibilities; review, analysis, and evaluation of agency programs and operations to ascertain compliance with applicable policies, rules and regulations of the Department and the Government, and processing complaints made to the Department on discrimination in Department programs and providing final Department disposition.

8. *Information services.*—This activity encompasses general direction, leadership, and coordination of the information services of the Department. The major objectives are to provide a balanced information program that reports to rural and urban publics USDA's research, action, regulatory, and other activities, using all communications media in order to obtain better understanding among the general public and the agricultural industry of agriculture's services to farmers and to society in general. Workload depends upon Department program demands, direct requests, and legislative requirements.

Object Classification (in thousands of dollars)

Identification code 05-03-0115-0-1-355	1972 actual	1973 est.	1974 est.
OFFICE OF THE SECRETARY			
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	6,385	7,485	7,719
11.3 Positions other than permanent.....	89	55	55
11.5 Other personnel compensation.....	33	26	26
11.8 Special personal services payments.....	86	-----	-----
Total personnel compensation.....	6,593	7,566	7,800
12.1 Personnel benefits: Civilian.....	546	641	661
21.0 Travel and transportation of persons.....	250	355	438
22.0 Transportation of things.....	6	13	62
23.0 Rent, communications, and utilities.....	424	365	382
24.0 Printing and reproduction.....	766	820	819
25.0 Other services.....	393	641	643
26.0 Supplies and materials.....	77	79	79
31.0 Equipment.....	101	49	49
Total direct obligations.....	9,156	10,529	10,933
Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions.....	348	522	445
11.3 Positions other than permanent.....	6	3	3
11.8 Special personal services payments.....	14	-----	-----
Total personnel compensation.....	368	525	448
12.1 Personnel benefits: Civilian.....	39	44	38
21.0 Travel and transportation of persons.....	42	63	63
22.0 Transportation of things.....	12	8	8
23.0 Rent, communications, and utilities.....	10	2	2

24.0 Printing and reproduction.....	71	63	63
25.0 Other services.....	40	31	31
26.0 Supplies and materials.....	9	3	3
31.0 Equipment.....	12	2	2
Total reimbursable obligations.....	603	741	658
Total obligations, Office of the Secretary.....	9,759	11,270	11,591

ALLOCATION TO ECONOMIC
RESEARCH SERVICE

11.1 Personnel compensation: Permanent positions.....	185	-----	-----
12.1 Personnel benefits: Civilian.....	15	-----	-----
21.0 Travel and transportation of persons.....	1	-----	-----
23.0 Rent, communications, and utilities.....	1	-----	-----
Total obligations, Economic Research Service.....	202	-----	-----
99.0 Total obligations.....	9,961	11,270	11,591

Personnel Summary

OFFICE OF THE SECRETARY

Total number of permanent positions.....	480	545	553
Full-time equivalent of other positions.....	13	11	11
Average paid employment.....	450	522	530
Average GS grade.....	8.5	8.0	8.1
Average GS salary.....	\$13,667	\$12,715	\$12,868
Average salary of ungraded positions.....	\$8,743	\$8,718	\$8,727

ALLOCATION TO ECONOMIC
RESEARCH SERVICE

Total number of permanent positions.....	11	-----	-----
Average paid employment.....	11	-----	-----
Average GS grade.....	9.9	-----	-----
Average GS salary.....	\$15,124	-----	-----

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments from other accounts are included in the schedule of the parent appropriation, as follows:
Agricultural Research Service: Soil Conservation Service, "Great Plains conservation program."

RURAL DEVELOPMENT GRANTS AND TECHNICAL ASSISTANCE

For grants and technical assistance authorized by the Rural Development Act of 1972 (Public Law 92-419), in addition to funds otherwise provided for such assistance, \$20,000,000.

Program and Financing (in thousands of dollars)

Identification code 05-03-0116-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Grants for community facilities.....	-----	-----	10,000
2. Environmental quality cost-sharing and technical assistance.....	-----	-----	10,000
10 Total program costs, funded—obligations.....	-----	-----	20,000
Financing:			
40 Budget authority (appropriation).....	-----	-----	20,000
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-----	-----	20,000
74 Obligated balance, end of year.....	-----	-----	—11,000
90 Outlays.....	-----	-----	9,000

This fund contributes to the special rural development programs in fiscal year 1974 to be carried out within

selected multicounty State development areas under the Rural Development Act of 1972.

1. *Grants for community facilities.*—This provides grants to public bodies for community facilities which aid in the development of private business enterprises as authorized under section 118(a).

2. *Environmental quality cost-sharing and technical assistance.*—This provides funds for technical assistance and cost-sharing to agricultural producers and others on the basis of critical erosion, sediment, or environmental conditions originating on farm and other land, and having adverse communitywide effects, as authorized by sections 201(a) and 605.

Object Classification (in thousands of dollars)

Identification code 05-03-0116-0-1-355	1972 actual	1973 est.	1974 est.
25.0 Other services.....			1,000
41.0 Grants, subsidies, and contributions...			19,000
99.0 Total obligations.....			20,000

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code 05-03-4609-0-4-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Operating costs, funded:			
1. Supply and other central services:			
(a) Cost of goods sold.....	774	749	749
(b) Other.....	1,348	1,952	2,004
2. Reproduction services:			
(a) Cost of goods sold.....	373	371	371
(b) Other.....	2,175	2,433	2,433
3. Motion picture, photographic, and other visual information services:			
(a) Cost of goods sold.....	201	158	158
(b) Other.....	2,360	2,160	2,166
4. Central payroll, personnel and related services: Cost of service.....	5,019	6,328	6,332
5. Central voucher payment service: Cost of service.....	468	2,735	5,122
6. Management and ADP systems: Cost of service.....	389	7,230	10,494
Total operating costs, funded...	13,108	24,116	29,829
Capital outlay, funded:			
Purchase of equipment:			
1. Supply and other central services.....	38	1	1
2. Reproduction services.....	46	50	50
3. Motion picture, photographic, and other visual information services.....	36	76	76
4. Central payroll, personnel and related services.....	125	11	10
5. Central voucher payment service.....		3	11
6. Management and ADP systems.....			
Total capital outlay, funded....	245	141	148
Total program costs, funded...	13,354	24,257	29,977
Change in selected resources ¹	-17		
10 Total obligations.....	13,336	24,257	29,977
Financing:			
Receipts and reimbursements from:			
11 Federal funds: Revenue:			
Supply and other central services....	-2,141	-2,703	-2,755
Reproduction services.....	-2,549	-2,859	-2,859

Motion picture, photographic, and other visual information services...	-2,282	-2,289	-2,295
Central payroll, personnel and related services.....	-4,976	-6,356	-6,360
Central voucher payment service.....	-503	-2,737	-5,124
Management and ADP systems.....	-375	-7,273	-10,540
Loss from disposal of miscellaneous supplies and equipment.....	20		
Increase in unfilled customers' orders	-35		
14 Non-Federal sources: Revenue:			
Supply and other central services....	-15	-15	-15
Reproduction services.....	-22	-22	-22
Motion picture, photographic, and other visual information services...	-92	-92	-92
21 Unobligated balance available, start of year	-818	-452	-542
24 Unobligated balance available, end of year	452	542	627
Budget authority.....			

Relation of obligations to outlays:			
71 Obligations incurred, net.....	366	-90	-85
72 Receivables in excess of obligations, start of year.....	-646	-1,061	-1,151
74 Receivables in excess of obligations, end of year.....	1,061	1,151	1,236
90 Outlays.....	781		

¹ Balances of selected resources are identified on the statement of financial condition.

This fund finances by advances or reimbursements certain central services in the Department of Agriculture, including duplicating, photographic, and other visual information services, art and graphics, motion picture, tabulating, supply, library photocopy and microfilming services, civil defense activities, interagency employee training programs, mail and messenger services, centralized automatic data processing systems for payroll, personnel and related services, voucher payment services and management and ADP systems. The capital consists of \$400 thousand appropriated (5 U.S.C. 542-1), \$608 thousand in donated assets, and accumulated earnings of \$356 thousand as of June 30, 1972. Earnings are kept at a low level through adjustments in rates charged for services to maintain as nearly as possible the nonprofit nature of the fund.

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Operating income or loss (-):			
Supply and other central services:			
Revenue.....	2,156	2,718	2,770
Expense.....	-2,138	-2,718	-2,770
Net operating income, supply and other central services program.....	19		
Reproduction services:			
Revenue.....	2,571	2,881	2,881
Expense.....	-2,620	-2,881	-2,881
Net operating loss, reproduction services program.....	-48		
Motion picture, photographic, and other visual information services:			
Revenue.....	2,374	2,381	2,387
Expense.....	-2,618	-2,381	-2,387
Net operating loss, motion picture, photographic, and other visual information services program.....	-243		

Intragovernmental funds—Continued

WORKING CAPITAL FUND—Continued

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Operating income or loss (—):—Continued			
Central payroll, personnel and related services:			
Revenue.....	4,976	6,356	6,360
Expense.....	-5,046	-6,356	-6,360
Net operating loss, central payroll, personnel and related services.....	-70		
Central voucher payment service:			
Revenue.....	503	2,737	5,124
Expense.....	-468	-2,737	-5,124
Net operating income, central voucher payment service.....	35		
Management and ADP systems:			
Revenue.....	375	7,273	10,540
Expense.....	-389	-7,273	-10,540
Net operating loss, management and ADP systems.....	-14		
Net operating loss, total.....	-321		
Nonoperating loss:			
Net loss from disposal of miscellaneous supplies and equipment.....	-20		
Net nonoperating loss.....	-20		
Net loss for the year.....	-341		

Financial Condition (in thousands of dollars)

	1971 actual	1972 actual	1973 est.	1974 est.
Assets:				
Drawing account with Treasury.....	172	-610	-610	-610
Accounts receivable, net.....	1,562	2,442	2,442	2,442
Selected assets: Commodities for sale ¹	435	454	454	454
Fixed assets, net.....	901	978	889	804
Total assets.....	3,070	3,263	3,175	3,090
Liabilities:				
Accounts payable and accrued liabilities.....	1,365	1,900	1,811	1,726
Government equity:				
Obligations:				
Undelivered orders ¹	170	134	134	134
Unfilled customers orders.....	-620	-655	-655	-655
Unobligated balance.....	818	452	542	627
Total funded balance.....	368	-68	21	106
Invested capital and earnings.....	1,337	1,432	1,343	1,258
Total Government equity.....	1,705	1,364	1,364	1,364

¹ The "Change in selected resources" entry on the program and financing schedule relates to these items.

Analysis of Changes in Government Equity (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Non-interest-bearing capital:			
Start of year.....	1,008	1,008	1,008
End of year.....	1,008	1,008	1,008

Retained earnings:			
Start of year.....	697	356	356
Net loss for the year.....	-341		
End of year.....	356	356	356
Total Government equity (end of year)	1,364	1,364	1,364

Object Classification (in thousands of dollars)

Identification code 05-03-4609-0-4-355	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	6,081	10,546	12,584
11.3 Positions other than permanent.....	323	376	408
11.5 Other personnel compensation.....	204	467	421
Total personnel compensation.....	6,608	11,389	13,413
12.1 Personnel benefits: Civilian.....	580	1,042	1,137
21.0 Travel and transportation of persons.....	153	170	192
22.0 Transportation of things.....	47	161	108
23.0 Rent, communications, and utilities.....	731	3,164	3,845
24.0 Printing and reproduction.....	465	330	346
25.0 Other services.....	3,012	5,684	8,635
26.0 Supplies and materials.....	1,489	2,064	2,122
31.0 Equipment.....	269	253	179
Total costs, funded.....	13,354	24,257	29,977
94.0 Change in selected resources.....	-17		
99.0 Total obligations.....	13,336	24,257	29,977

Personnel Summary

Total number of permanent positions.....	654	1,157	1,150
Full-time equivalent of other positions.....	58	65	65
Average paid employment.....	598	944	1,200
Average GS grade.....	7.4	7.2	7.2
Average GS salary.....	\$11,843	\$11,313	\$11,381
Average salary of ungraded positions.....	\$8,819	\$8,731	\$8,734

CONSOLIDATED WORKING FUND

Program and Financing (in thousands of dollars)

Identification code 05-03-9999-0-4-355	1972 actual	1973 est.	1974 est.
Relation of obligations to outlays:			
71 Obligations incurred, net.....			
72 Obligated balance, start of year.....	71	82	
74 Obligated balance, end of year.....	-82		
77 Adjustments in expired accounts.....		-82	
90 Outlays.....	-11		

The preceding schedule reflects expenditures from the Consolidated working fund, Department of Agriculture. Advances were received from the Civil Service Commission for operations carried out under the public service careers program. Funds were received into this account as an administrative convenience and were allotted to the individual agencies of the Department of Agriculture which carried out the program. Additional funds were received into a consolidated account for the Advertising council campaign budget from the Department of Health, Education, and Welfare, Food and Nutrition Service, Agricultural Research Service, and Extension Service.

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-03-8200-0-7-355	1972 actual	1973 est.	1974 est.
Program by activities:			
10 Miscellaneous contributed funds (costs—obligations) (object class 25.0).....			6

Financing:			
21	Unobligated balance available, start of year	-3	-6
24	Unobligated balance available, end of year	6	
<hr/>			
60	Budget authority (appropriation) (permanent, indefinite)	4	
<hr/>			
Relation of obligations to outlays:			
71	Obligations incurred, net		6
90	Outlays		6

Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (7 U.S.C. 450b, 450h).

OFFICE OF THE INSPECTOR GENERAL

Federal Funds

General and special funds:

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$10,000, for employment under 5 U.S.C. 3109, [\$14,519,000] \$14,501,000, and in addition, \$4,250,000 shall be derived by transfer from the appropriation, "Food Stamp Program" and merged with this appropriation. (7 U.S.C. 450b, 2201, 2202, 2220; *Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-06-0900-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
Internal audits and investigations	17,931	18,301	18,751
Reimbursable program:			
Internal audits and investigations	534	466	466
Total program costs, funded ¹	18,465	18,767	19,217
Change in selected resources ²	60		
10 Total obligations	18,525	18,767	19,217
Financing:			
Receipts and reimbursements from:			
11 Federal funds	-289	-214	-214
13 Trust funds	-245	-252	-252
25 Unobligated balance lapsing	440	450	
Budget authority	18,431	18,751	18,751
<hr/>			
Budget authority:			
40 Appropriation	14,354	14,519	14,501
41 Transferred to other accounts		-18	675
42 Transferred from other accounts	4,077	4,250	4,250
43 Appropriation (adjusted)	18,431	18,751	18,751
<hr/>			
Relation of obligations to outlays:			
71 Obligations incurred, net	17,991	18,301	18,751
72 Obligated balance, start of year	730	340	675
74 Obligated balance, end of year	-340	-675	-1,032
77 Adjustments in expired accounts	-29		
90 Outlays	18,352	17,966	18,394

¹ Includes capital outlay as follows: 1972, \$40 thousand; 1973, \$40 thousand; 1974, \$40 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$86 thousand (1972 adjustments, -\$29 thousand); 1972, \$117 thousand; 1973, \$117 thousand; 1974, \$117 thousand.

The Office serves as the audit and investigative arm of the Secretary. It performs all audit and investigative activities of the Department and provides personal security to the Secretary. The Office assures the Secretary of completely independent and objective selection of departmental activities for audit; critical reviews and examination of the Department's programs and activities; and factual, unbiased reporting of the results of these audits and investigations. This assures that existing laws, policies, and Department regulations are complied with, that Department programs are effectively managed, and that corrective action can be taken where necessary.

The Office also coordinates internal audit and investigative activities of the Department with other investigative agencies of the executive and legislative branches of the Government.

Object Classification (in thousands of dollars)

Identification code 05-06-0900-0-1-355	1972 actual	1973 est.	1974 est.
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions	12,882	13,250	13,060
11.3 Positions other than permanent	73	78	78
11.5 Other personnel compensation	15	16	16
Total personnel compensation	12,970	13,344	13,154
12.1 Personnel benefits: Civilian	1,193	1,288	1,272
21.0 Travel and transportation of persons	2,924	2,686	3,286
22.0 Transportation of things	61	73	73
23.0 Rent, communications, and utilities	260	267	302
24.0 Printing and reproduction	60	71	73
25.0 Other services	426	469	473
26.0 Supplies and materials	57	64	67
31.0 Equipment	38	39	51
42.0 Insurance claims and indemnities	2		
Total direct obligations	17,991	18,301	18,751
Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions	382	329	329
11.3 Positions other than permanent	3	2	2
Total personnel compensation	385	331	331
12.1 Personnel benefits: Civilian	35	32	32
21.0 Travel and transportation of persons	87	79	79
22.0 Transportation of things	2	2	2
23.0 Rent, communications, and utilities	8	7	7
24.0 Printing and reproduction	2	2	2
25.0 Other services	12	11	11
26.0 Supplies and materials	2	1	1
31.0 Equipment	1	1	1
Total reimbursable obligations	534	466	466
99.0 Total obligations	18,525	18,767	19,217

Personnel Summary

Total number of permanent positions	925	925	895
Full-time equivalent of other positions	11	15	15
Average paid employment	882	890	878
Average GS grade	10.1	10.0	10.2
Average GS salary	\$15,071	\$15,198	\$15,801

OFFICE OF THE GENERAL COUNSEL

Federal Funds

General and special funds:

OFFICE OF THE GENERAL COUNSEL

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, \$6,666,000. (7 U.S.C. 2201, 2202, 2214a; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification 05-09-2300-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
1. Commodity and production stabilization.....	1,677	1,756	1,762
2. Marketing, regulatory laws, research and operations.....	2,152	2,244	2,251
3. Rural development and conservation.....	2,659	2,653	2,653
Total direct program.....	6,488	6,653	6,666
Reimbursable program:			
3. Rural development and conservation.....	229	260	260
Total program costs, funded ¹	6,717	6,913	6,926
Change in selected resources ²	6		
10 Total obligations.....	6,723	6,913	6,926
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-229	-260	-260
25 Unobligated balance lapsing.....	66	13	
40 Budget authority (appropriation)....	6,560	6,666	6,666
Relation of obligations to outlays:			
71 Obligations incurred, net.....	6,494	6,653	6,666
72 Obligated balance, start of year.....	350	107	398
74 Obligated balance, end of year.....	-107	-398	-689
77 Adjustments in expired accounts.....	4		
90 Outlays.....	6,741	6,362	6,375

¹ Includes capital outlay as follows: 1972, \$19 thousand; 1973, \$23 thousand; 1974, \$23 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$15 thousand (1972 adjustments, -\$6 thousand); 1972, \$15 thousand; 1973, \$15 thousand; 1974, \$15 thousand.

The Office serves as legal counsel for the Secretary of Agriculture and performs all legal work for the Department. It represents the Department in administrative proceedings for the promulgation of rules and regulations having the force and effect of law and in quasi-judicial hearings held in connection with the administration of Department programs. The Office also represents the Secretary in proceedings before the Interstate Commerce Commission dealing with rates and practices relating to the transportation of agricultural commodities and in appeals to the courts from the decisions of the Commission. It examines titles to lands to be acquired by the Department or accepted as security for loans, and disposes of claims arising out of the Department activities.

Object Classification (in thousands of dollars)

Identification code 05-09-2300-0-1-355	1972 actual	1973 est.	1974 est.
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	5,613	5,795	5,750

11.3 Positions other than permanent.....	31	35	35
Total personnel compensation.....	5,644	5,830	5,785
12.1 Personnel benefits: Civilian.....	468	484	484
21.0 Travel and transportation of persons.....	93	82	105
22.0 Transportation of things.....	1	5	5
23.0 Rent, communications, and utilities.....	111	105	115
24.0 Printing and reproduction.....	7	7	7
25.0 Other services.....	61	50	60
26.0 Supplies and materials.....	33	20	25
31.0 Equipment.....	76	70	80
Total direct obligations.....	6,494	6,653	6,666
Reimbursable obligations:			
11.1 Personnel compensation: Permanent positions.....	204	227	227
12.1 Personnel benefits: Civilian.....	17	19	19
21.0 Travel and transportation of persons.....	6	8	8
25.0 Other services.....		1	1
26.0 Supplies and materials.....	1	2	2
31.0 Equipment.....	1	3	3
Total reimbursable obligations.....	229	260	260
99.0 Total obligations.....	6,723	6,913	6,926

Personnel Summary

Total number of permanent positions.....	412	408	398
Full-time equivalent of other positions.....	5	5	5
Average paid employment.....	381	381	378
Average GS grade.....	9.7	9.7	9.7
Average GS salary.....	\$14,993	\$14,932	\$15,119

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedule of the parent appropriation as follows:
Agricultural Stabilization and Conservation Service, "Salaries and expenses."
Farmers Home Administration, "Agricultural credit insurance fund."

OFFICE OF MANAGEMENT SERVICES

Federal Funds

General and special funds:

OFFICE OF MANAGEMENT SERVICES

For necessary expenses to enable the Office of Management Services to provide management support services to selected agencies and offices of the Department of Agriculture, \$4,147,000. (7 U.S.C. 2201-2202, 2235; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-15-0700-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
Management support activities.....	3,830	4,141	4,147
Reimbursable program:			
Management support activities.....	1,069	1,325	1,525
Total program costs, funded ¹	4,899	5,466	5,672
Change in selected resources ²	-3		
10 Total obligations.....	4,895	5,466	5,672
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-1,068	-1,325	-1,525
25 Unobligated balance lapsing.....	62	6	
40 Budget authority (appropriation)....	3,889	4,147	4,147

Relation of obligations to outlays:			
71 Obligations incurred, net.....	3,827	4,141	4,147
72 Obligated balance, start of year.....	274	50	88
74 Obligated balance, end of year.....	-50	-88	-126
77 Adjustments in expired accounts.....	3		
90 Outlays.....	4,055	4,103	4,109

¹ Includes capital outlay as follows: 1972, \$21 thousand; 1973, \$25 thousand; 1974, \$30 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$110 thousand (1972 adjustments, \$3 thousand); 1972, \$111 thousand; 1973, \$111 thousand; 1974, \$111 thousand.

The Office of Management Services (OMS) provides consolidated and centralized management support services to several agencies and offices of the Department. It was established by Secretary's Memorandum No. 1529, dated January 29, 1963, to provide greater economy and effectiveness in the rendering of management service and advice through improved utilization of manpower and management techniques, increased specialization of professional skills, and more extensive use of timesaving equipment.

The consolidated management support functions include budget and finance, personnel and related programs, administrative services, and information work. These functions are financed by direct appropriation to OMS, except for activity performed for others on a reimbursable or advance payment basis; OMS is reimbursed for management support of these activities.

The organizational structure of OMS is based upon these functions with operating divisions providing the services for the following agencies and offices: Office of the Secretary, Office of Budget and Finance, Office of Administrative Law Judges, Judicial Officer, Office of Information Systems, Office of Information, Office of Personnel, Office of Plant and Operations, Office of the Inspector General, Office of the General Counsel, Office of Management Services, Cooperative State Research Service, National Agricultural Library, Statistical Reporting Service, Economic Research Service, Commodity Exchange Authority, Packers and Stockyards Administration, Farmer Cooperative Service and Rural Development Service.

Object Classification (in thousands of dollars)

Identification code 05-15-0700-0-1-355	1972 actual	1973 est.	1974 est.
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	3,046	3,299	3,289
11.3 Positions other than permanent.....	57	63	65
11.5 Other personnel compensation.....	10	15	15
Total personnel compensation.....	3,113	3,377	3,369
12.1 Personnel benefits: Civilian.....	264	288	288
21.0 Travel and transportation of persons.....	21	21	30
22.0 Transportation of things.....	5	8	8
23.0 Rent, communications, and utilities.....	161	167	157
24.0 Printing and reproduction.....	95	98	98
25.0 Other services.....	123	130	145
26.0 Supplies and materials.....	24	26	26
31.0 Equipment.....	20	26	26
Total direct obligations.....	3,827	4,141	4,147
Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions.....	849	1,054	1,207
11.3 Positions other than permanent.....	16	20	25
11.5 Other personnel compensation.....	3	5	5
Total personnel compensation.....	868	1,079	1,237
12.1 Personnel benefits: Civilian.....	74	92	106
21.0 Travel and transportation of persons.....	6	8	10

22.0 Transportation of things.....	2	2	2
23.0 Rent, communications, and utilities.....	45	54	60
24.0 Printing and reproduction.....	26	32	40
25.0 Other services.....	34	42	50
26.0 Supplies and materials.....	7	8	10
31.0 Equipment.....	6	8	10
Total reimbursable obligations.....	1,068	1,325	1,525
99.0 Total obligations.....	4,895	5,466	5,672

Personnel Summary

Total number of permanent positions.....	398	377	355
Full-time equivalent of other positions.....	14	14	14
Average paid employment.....	349	370	382
Average GS grade.....	7.8	8.0	8.0
Average GS salary.....	\$11,757	\$11,771	\$12,070
Average salary of ungraded positions.....	\$7,435	\$7,704	\$7,743

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocation from other accounts are included in the schedules of the parent appropriations as follows:
Agriculture: Office of the Secretary, "Working capital fund."

AGRICULTURAL RESEARCH SERVICE

Federal Funds

General and special funds:

AGRICULTURAL RESEARCH SERVICE

For expenses necessary to enable the Agricultural Research Service to perform agricultural research and demonstrations relating to production, utilization, marketing, and distribution (not otherwise provided for), home economics or nutrition and consumer use, and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100; **[\$188,036,600] \$170,790,000**, and in addition not to exceed \$15,000,000 from funds available under section 32 of the Act of August 24, 1935, pursuant to Public Law 88-250 shall be transferred to and merged with this appropriation: *Provided*, That appropriations hereunder shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further*, That of the appropriations hereunder, not less than **[\$11,578,900] \$10,526,600** shall be available to conduct marketing research: *Provided further*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except greenhouses connecting greenhouses) shall not exceed \$40,000, except for six buildings to be constructed or improved at a cost not to exceed \$80,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$15,000, or 15 per centum of the cost of the building, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$100,000 for facilities at Beltsville, Maryland: **[\$11,578,900] \$10,526,600** of this appropriation shall remain available until expended for plans, construction and improvement of facilities without regard to the foregoing limitations: *Provided further*, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. **[113a]**): *Provided further*, That **\$1,130,000** of this appropriation shall remain available until expended for special bicentennial improvements at the National Arboretum.

Special fund: To provide for additional labor, subprofessional and junior scientific help to be employed under contracts and cooperative agreements to strengthen the work at research installations in the field, not more than \$2,000,000 of the amount appropriated under this head for the previous fiscal year may be used by the Administrator of the Agricultural Research Service in departmental research programs in the current fiscal year, the amount so used to be transferred to and merged with the appropriation otherwise available under "Agricultural Research Service". (5 U.S.C. 5901;

General and special funds—Continued

AGRICULTURAL RESEARCH SERVICE—Continued

7 U.S.C. 281-283, 391, 401-404, 421-422a, 424-425, 427, 427i, 428a, 429-430, 436-437, 450-450b, 450i, 612c, 1292, 1441 note, 1621-1628, 1651-1656, 1901, 1904-1905, 2201-2202, 2208, 2226, 2225, 2228-2229, 2232-2233, 2239, 2250-2250a, 2258-2259, 2262-2263; 10 U.S.C. 2306; 16 U.S.C. 581-581a, 581f, 590a-590b, 590f, 590k; 18 U.S.C. 1114; 19 U.S.C. 1306a, 1306c; 20 U.S.C. 191-194; 21 U.S.C. 113a, 114c, 114e-131; 26 U.S.C. 4491-4494; 42 U.S.C. 1476(b)-1476(e), 1483, 1891-1893; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-18-1400-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
1. Research:			
(a) Farm research.....	126,032	130,974	124,239
(b) Utilization research and development.....	42,852	43,048	41,750
(c) Nutrition and consumer use research.....	5,292	5,465	5,335
(d) Marketing research.....	10,948	10,707	10,428
(e) Research and development on the eradication of narcotic-producing plants.....	386	1,750	1,750
(f) Coordination of departmental and interdepartmental activities related to pests and their control.....	85	158	158
(g) Construction of facilities.....	4,616	4,910	1,466
(h) Contingencies.....	-----	1,000	1,000
(i) Special improvements, National Arboretum.....	-----	-----	30
Total research.....	190,211	198,012	186,156
2. Plant and animal disease and pest control:			
(a) Plant disease and pest control.....	17,815	-----	-----
(b) Animal disease and pest control.....	36,987	-----	-----
Total plant and animal disease and pest control.....	54,802	-----	-----
Total direct program.....	245,013	198,012	186,156
Reimbursable program:			
1. Research.....	4,740	5,001	4,796
2. Plant and animal disease and pest control.....	818	-----	-----
3. Construction of facilities.....	186	1	-----
4. Miscellaneous services to other accounts.....	21	20	20
5. Agency for International Development (funds appropriated to the President).....	1,274	1,197	1,120
Total reimbursable program.....	7,039	6,219	5,936
Total program costs, funded ¹	252,052	204,231	192,092
Change in selected resources ²	-4,535	-1,312	-1,466
10 Total obligations.....	247,517	202,919	190,626
Financing:			
Receipts and reimbursements from:			
11 Federal funds.....	-6,335	-5,984	-5,696
13 Trust funds.....	-21	-20	-20
14 Non-Federal sources.....	-685	-215	-220
21 Unobligated balance available, start of year.....	-7,351	-3,858	-3,720
22 Unobligated balance transferred from other accounts.....	-10,000	-----	-----
23 Unobligated balance transferred to other accounts.....	1,500	-----	-----

24	Unobligated balance available, end of year	3,858	3,720	4,820
25	Unobligated balance lapsing.....	7	8,464	-----
Budget authority.....		228,490	205,026	185,790
Budget authority:				
Current:				
40	Appropriation.....	278,717	188,037	170,790
41	Transferred to other accounts.....	-67,227	-11	-----
43	Appropriation (adjusted).....	211,490	188,026	170,790
50	Reappropriation.....	2,000	2,000	-----
Permanent:				
60	Appropriation.....	-----	-----	-----
62	Transferred from other accounts.....	15,000	15,000	15,000
63	Appropriation (adjusted).....	15,000	15,000	15,000
Relation of obligations to outlays:				
71	Obligations incurred, net.....	240,478	196,700	184,690
72	Obligated balance, start of year.....	49,535	38,054	34,656
74	Obligated balance, end of year.....	-38,054	-34,656	-25,130
77	Adjustments in expired accounts.....	-3,101	-----	-----
90	Outlays.....	248,858	200,098	194,216

¹ Includes capital outlay as follows: 1972, \$16,628 thousand; 1973, \$13,801 thousand; 1974, \$14,773 thousand.

² Selected resources as of June 30 are as follows:

	1971	1972 adjust- ments	1972	1973	1974
Stores.....	696	-----	771	670	670
Undelivered orders.....	31,419	-2,644	24,165	22,954	24,420
Total selected resources	32,115	-2,644	24,936	23,624	25,090

The Service conducts basic and applied research in the fields of livestock, plant sciences, entomology, soil and water conservation, agricultural engineering, utilization and development, nutrition and consumer use, marketing, and on the development of methods to eradicate narcotic-producing plants.

The decrease requested for 1974 reflects the effects of realigning the Agency's research efforts to: (1) Terminate projects reaching completion or of lower priority in relation to the needs of American agriculture; (2) consolidate complementary lines of work into existing centers for research; and (3) transfer scientists into existing research centers to provide a broader nucleus of scientific disciplines to meet current needs for broad-based interdisciplinary research.

The activities financed from this appropriation are described below.

1. *Research.*—(a) *Farm research.*—Improved breeding, feeding, and management practices, including management of animal wastes, are developed for farm livestock, poultry, and domestic fur animals. Practical methods are sought for control of diseases, parasites, and insect pests affecting them and to protect them from chemical toxicity and other hazards.

Investigations are conducted to improve varieties of food, feed, fiber, and other plants, and to develop new crops; to improve crop-production practices, including methods to control plant diseases, nematodes, and weeds, and reduce cost of production; and to develop safe chemical, biological, and other methods for control of harmful pests affecting farm production.

Investigations are conducted to improve the management of natural resources, including investigations to improve soil and water management (including salinity and saline soils), irrigation, and conservation practices; to study hydrologic problems of agricultural watersheds; to

determine the relation of soil types and water to plant, animal, and human nutrition; and to apply engineering principles to improve efficiency and reduce costs of agricultural production.

The research is aimed at the profitable production of an adequate supply of food, feed, fiber, and other agricultural products of desired quality at minimum costs. Increased attention has been given to studies on protection of plants, animals, and natural resources from harmful effects of soil, water, and air pollutants. Research also concerns the application of remote sensing techniques in meeting agricultural problems.

(b) *Utilization research and development.*—Chemical, physical, and biological research is conducted to develop increased industrial uses of farm products, and new and improved foods, feeds, and fabrics; and to develop improved methods for processing agricultural commodities.

The research aim is to expand the demand for farm products by developing new and improved products and economical processes tailored to the requirements of the domestic and foreign markets. The research conducted includes studies to protect food and feed products from harmful microbial organisms and naturally occurring toxins and studies of health-related problems of tobacco. Effort is also being given to the processing of agricultural commodities to minimize waste formation and to utilize waste products to avoid pollution.

(c) *Nutrition and consumer use research.*—Studies are made of human nutritional requirements, composition and nutritive value of foods, and consumer and food economics. The research aim is to determine nutrient requirements and how foods can supply these to best assure nutritional well-being of people throughout their lifespan; to provide up-to-date information about food consumption and nutrition of the population; and to develop improved procedures for household preparation, care, and preservation of foods which will preserve their nutritional, sanitary, and wholesome quality.

(d) *Marketing research.*—Practical answers to reduce costs and maintain product quality in moving products from farm to consumer are sought through research. For farm products as they pass through marketing channels, efforts are made to develop safe methods to protect against insect attack, find objective methods to determine quality, reduce losses from waste and spoilage, and improve efficiency in physical handling and transportation. The work includes research at each stage of marketing, such as assembly points and storage facilities, and of transportation at terminal or central markets, and at wholesale and retail markets. Research is also concerned with mycotoxins in agricultural products in relation to off-farm handling, conditioning, and storage.

(e) *Research and development on the eradication of narcotic-producing plants.*—Research under this activity was started in 1972 as outlined under the Omnibus Drug Control Message of June 17, 1971. The research conducted under this activity is directed toward the development of technology for the detection and destruction of illicit growth of narcotic-producing plants without adverse ecological effects. The development of this eradication technology is carried out in cooperation with research institutions in foreign countries.

(f) *Coordination of departmental and interdepartmental activities related to pests and their control.*—The 1974 estimates provide for the availability of \$158 thousand for the use by the Secretary to meet emergency situations relating to the safe use of pesticides. The project provided

for coordination with the Department of Health, Education, and Welfare, Department of the Interior, Environmental Protection Agency, and other agencies of the Federal Government in development of measures to protect the public health, producers, and resources.

(g) *Construction of facilities.*—The 1974 estimates provide for a decrease of \$3,460 thousand to eliminate non-recurring amounts provided for planning and construction of facilities in 1973.

(h) *Contingencies.*—Beginning in 1962, \$1 million was provided to meet urgent needs that develop unexpectedly during the year when such needs cannot be met by redirection of resources from other projects.

(i) *Special improvements, National Arboretum.*—The 1974 program provides for a nonrecurring increase of \$1,130 thousand to remain available until expended for special bicentennial improvements at the National Arboretum. The proposed increase would provide for necessary road changes, planting, and other improvements at the National Arboretum as part of the bicentennial plans for the Washington area.

2. *Plant and animal disease and pest control.*—The regulatory and control activities previously carried out under this subappropriation item by the Agricultural Research Service were transferred to the Animal and Plant Health Service which was established effective October 31, 1971, pursuant to authority of Reorganization Plan No. 2 of 1953. Narrative statements describing the programs and performance of these activities are included in the Budget appendix under Animal and Plant Health Inspection Service. The level of costs, financing, and outlays relating to obligations incurred under these activities prior to October 31, 1971, are included under this account.

Object Classification (in thousands of dollars)

Identification code 05-18-1400-0-1-355	1972 actual	1973 est.	1974 est.
AGRICULTURAL RESEARCH SERVICE			
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	133,429	116,508	113,104
11.3 Positions other than permanent.....	8,794	7,562	7,310
11.5 Other personnel compensation.....	2,259	1,424	1,396
Total personnel compensation.....	144,482	125,494	121,810
12.1 Personnel benefits: Civilian.....	13,021	10,961	10,668
13.0 Benefits for former personnel.....	15		
21.0 Travel and transportation of persons.....	4,302	2,661	2,877
22.0 Transportation of things.....	1,205	792	659
23.0 Rent, communications, and utilities.....	6,147	5,213	4,976
24.0 Printing and reproduction.....	1,127	978	952
25.0 Other services.....	34,621	21,651	17,998
26.0 Supplies and materials.....	15,717	11,139	10,608
31.0 Equipment.....	9,136	9,071	8,309
32.0 Lands and structures.....	8,422	6,919	4,117
41.0 Grants, subsidies, and contributions:			
Grants for research.....	1,257	1,257	1,257
Payments to Mexican-United States Commission for the Prevention of Foot-and-Mouth Disease.....	15		
42.0 Insurance claims and indemnities.....	12		
Indemnities:			
Tuberculosis.....	36		
Brucellosis.....	459		
Scrapie of sheep.....	1		
Hog cholera.....	43		
Claims: Federal Tort Claims Act.....	10		
Subtotal.....	240,028	196,136	184,231
95.0 Quarters and subsistence charges.....	-82	-78	-78
Total direct obligations.....	239,946	196,058	184,153

General and special funds—Continued

AGRICULTURAL RESEARCH SERVICE—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 05-18-1400-0-1-355	1972 actual	1973 est.	1974 est.
AGRICULTURAL RESEARCH SERVICE—Continued			
Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions.....	3,063	3,253	3,166
11.3 Positions other than permanent.....	283	283	275
11.5 Other personnel compensation.....	662	83	81
Total personnel compensation.....	4,008	3,619	3,522
12.1 Personnel benefits: Civilian.....	236	254	246
13.0 Benefits for former personnel.....	3		
21.0 Travel and transportation of persons.....	169	151	151
22.0 Transportation of things.....	140	140	140
23.0 Rent, communications, and utilities.....	173	167	167
24.0 Printing and reproduction.....	18	17	17
25.0 Other services.....	1,018	913	823
26.0 Supplies and materials.....	905	776	688
31.0 Equipment.....	144	144	144
32.0 Lands and structures.....	229	42	42
Subtotal.....	7,043	6,223	5,940
95.0 Quarters and subsistence charges.....	-4	-4	-4
Total reimbursable obligations.....	7,039	6,219	5,936
Total obligations, Agricultural Research Service.....	246,985	202,277	190,089

ALLOCATION ACCOUNTS

Personnel compensation:			
11.1 Permanent positions.....	68	49	49
11.3 Positions other than permanent.....	72	81	81
11.5 Other personnel compensation.....	10	11	11
Total personnel compensation.....	150	141	141
12.1 Personnel benefits: Civilian.....	10	11	11
21.0 Travel and transportation of persons.....	46	55	55
22.0 Transportation of things.....	4	4	4
23.0 Rent, communications, and utilities.....	4	5	5
24.0 Printing and reproduction.....	3	3	3
25.0 Other services.....	146	268	268
26.0 Supplies and materials.....	39	25	25
31.0 Equipment.....	20	25	25
32.0 Lands and structures.....	110	105	
Total obligations, allocation accounts.....	532	642	537
99.0 Total obligations.....	247,517	202,919	190,626

Obligations are distributed as follows:

Agricultural Research Service.....	246,985	202,277	190,089
Animal and Plant Health Inspection Service.....	1	15	15
Forest Service.....	438	497	497
Office of Information.....	24	25	25
General Services Administration.....	69	105	

Personnel Summary

AGRICULTURAL RESEARCH SERVICE

Direct:

Total number of permanent positions.....	8,694	8,663	8,081
Full-time equivalent of other positions.....	1,243	985	977
Average paid employment.....	11,206	9,171	8,893
Average GS grade.....	9.1	9.1	9.2
Average GS salary.....	\$14,563	\$14,668	\$14,922
Average salary of ungraded positions.....	\$8,276	\$8,731	\$8,731

Reimbursable:

Total number of permanent positions.....	216	247	248
Full-time equivalent of other positions.....	26	31	22
Average paid employment.....	258	276	266
Average GS grade.....	9.1	9.1	9.2
Average GS salary.....	\$14,563	\$14,668	\$14,922
Average salary of ungraded positions.....	\$8,276	\$8,731	\$8,731

ALLOCATION ACCOUNTS

Total number of permanent positions.....	2	2	2
Full-time equivalent of other positions.....	10	12	12
Average paid employment.....	14	14	14
Average GS grade.....	8.5	8.5	8.6
Average GS salary.....	\$12,646	\$12,993	\$13,016

SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies owed to or owned by the United States for market development research authorized by section 104(b)(1) and for agricultural and forestry research and other functions related thereto authorized by section 104(b)(3) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b) (1), (3)), \$10,000,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations for these purposes, for payments in the foregoing currencies: *Provided further*, That funds appropriated herein shall be used for payments in such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph: *Provided further*, That not to exceed \$25,000 of this appropriation shall be available for payments in foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), as amended by 5 U.S.C. 3109. (*Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-18-1404-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Market development research (sec. 104(b)(1)).....	774	1,708	1,750
2. Agricultural and forestry research (sec. 104(b)(3)).....	5,059	6,520	7,417
3. Translation and dissemination of scientific publications (sec. 104(b)(3)).....	119	169	180
Total program costs, funded ¹	5,952	8,397	9,347
Change in selected resources ²	742	6,411	653
10 Total obligations.....	6,694	14,808	10,000
Financing:			
21 Unobligated balance available, start of year.....	-1,502	-4,808	
24 Unobligated balance available, end of year.....	4,808		
40 Budget authority (appropriation).....	10,000	10,000	10,000
Relation of obligations to outlays:			
71 Obligations incurred, net.....	6,694	14,808	10,000
72 Obligated balance, start of year.....	16,748	17,220	21,987
74 Obligated balance, end of year.....	-17,220	-21,987	-20,946
90 Outlays.....	6,221	10,041	11,041

¹ Includes capital outlay as follows: 1972, \$0; 1973, \$1 thousand; 1974, \$5 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$16,349 thousand; 1972, \$17,091 thousand; 1973, \$23,502 thousand; 1974, \$24,155 thousand.

Foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States are used for expenses of carrying out programs of the Department of Agriculture as authorized by law and described under sections 104(b)(1) and 104(b)(3) of the Agricultural Trade Development and

Assistance Act of 1954, as amended. Research is carried on through agreements negotiated with research institutions and organizations in foreign countries. The research must be of importance to American agriculture. It serves to preserve and expand existing markets and develop new ones for agricultural commodities. It provides for research supplementary to domestic programs on problems of farm, marketing, utilization, agricultural economics and human nutrition, and makes possible the conduct of research on exotic insect pests and diseases of plants and animals which could not be done in the United States. Specialized projects provide for the translation and dissemination of foreign language scientific publications. Total estimated cost in U.S. dollars (charged to regular appropriations) for program direction and supervision of projects in 1974 is \$607 thousand.

The 1974 budget estimate for the Forest Service provides \$1 million for a special foreign currency program on forestry projects; therefore, no new forestry research projects will be initiated by the Agricultural Research Service in 1974. To avoid establishing a separate new administration for this research in the Forest Service, the Agricultural Research Service will continue to cover the overseas administrative costs of the forestry research program.

Object Classification (in thousands of dollars)

Identification code 05-18-1404-0-1-355	1972 actual	1973 est.	1974 est.
AGRICULTURAL RESEARCH SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	76	76	76
11.5 Other personnel compensation.....	7	8	8
Total personnel compensation.....	83	84	84
12.1 Personnel benefits: Civilian.....	6	7	7
21.0 Travel and transportation of persons.....	86	88	88
22.0 Transportation of things.....	7	10	10
23.0 Rent, communications, and utilities.....	31	32	32
24.0 Printing and reproduction.....	-----	1	1
25.0 Other services.....	53	55	55
26.0 Supplies and materials.....	14	15	15
31.0 Equipment.....	1	5	5
41.0 Grants, subsidies, and contributions:			
Grants for research.....	6,267	14,211	9,253
Total obligations, Agricultural Research Service.....	6,548	14,508	9,550
ALLOCATION TO NATIONAL SCIENCE FOUNDATION			
25.0 Other services.....	146	300	450
99.0 Total obligations.....	6,694	14,808	10,000

Personnel Summary

Total number of permanent positions.....	17	17	17
Average paid employment.....	17	17	17
Average salary of ungraded positions.....	\$3,842	\$3,850	\$3,850

Intragovernmental funds:

WORKING CAPITAL FUND, AGRICULTURAL RESEARCH CENTER

Program and Financing (in thousands of dollars)

Identification code 05-18-4606-0-4-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Operating costs, funded: Maintenance and operation of central facilities and services:			
Cost of material sold or applied.....	800	861	861

Other expense.....	5,386	5,625	5,680
Total operating costs.....	6,186	6,486	6,541
Capital outlay: Purchase of equipment.....	55	50	50
Total program costs, funded.....	6,241	6,536	6,591
Change in selected resources ¹	152	-----	-----
10 Total obligations.....	6,393	6,536	6,591
Financing:			
11 Receipts and reimbursements from:			
Federal funds:			
Sale of goods and services.....	-6,308	-6,519	-6,574
Other revenue.....	-17	-17	-17
Change in unfilled customers orders.....	-472	-----	-----
21 Unobligated balance available, start of year.....	-285	-688	-688
24 Unobligated balance available, end of year.....	688	688	688
Budget authority.....	-----	-----	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-404	-----	-----
72 Obligated balance, start of year.....	76	-----	-----
Receivables in excess of obligations, start of year.....	-----	-233	-233
74 Receivables in excess of obligations, end of year.....	233	233	233
90 Outlays.....	-94	-----	-----

¹ Selected resources as of June 30 are as follows:

	1971	1972	1973	1974
Store.....	175	185	185	185
Undelivered orders.....	151	293	293	293
Total.....	326	478	478	478

This fund finances, on a reimbursable basis, central facilities and services furnished to agencies at the Agricultural Research Center (64 Stat. 658). The capital consists of \$300 thousand appropriated in 1951 and donated assets of \$409 thousand as of June 30, 1972. Earnings are retained to furnish adequate working capital.

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Revenue.....	6,325	6,536	6,591
Expenses.....	6,208	6,536	6,591
Net operating income.....	117	-----	-----

Financial Condition (in thousands of dollars)

	1971 actual	1972 actual	1973 est.	1974 est.
Assets:				
Treasury balance.....	360	464	464	464
Accounts receivable, net.....	663	770	770	770
Materials and supplies.....	175	185	185	185
Equipment, net.....	307	304	304	304
Total assets.....	1,505	1,723	1,723	1,723
Liabilities:				
Current.....	881	952	952	952
Government equity:				
Unobligated balance, (total Government equity).....	624	770	770	770

Intragovernmental funds—Continued

WORKING CAPITAL FUND, AGRICULTURAL RESEARCH CENTER—Con.

Analysis of Changes in Government Equity (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Undelivered orders.....	293	293	293
Unobligated balance.....	688	688	688
Unfilled customers orders.....	-699	-699	-699
Invested capital and earnings.....	489	489	489
Total Government equity.....	770	770	770

Object Classification (in thousands of dollars)

Identification code 05-18-4606-0-4-355	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	2,981	3,101	3,148
11.3 Positions other than permanent.....	214	225	229
11.5 Other personnel compensation.....	110	115	116
Total personnel compensation.....	3,305	3,441	3,493
12.1 Personnel benefits: Civilian.....	339	349	352
21.0 Travel and transportation of persons.....	2	2	2
22.0 Transportation of things.....	2	2	2
23.0 Rent, communications, and utilities.....	933	933	933
25.0 Other services.....	296	296	296
26.0 Supplies and materials.....	1,461	1,461	1,461
31.0 Equipment.....	53	52	52
32.0 Lands and structures.....	17		
42.0 Insurance claims and indemnities.....	1		
Subtotal.....	6,409	6,536	6,591
95.0 Quarters and subsistence charges.....	-16		
99.0 Total obligations.....	6,393	6,536	6,591

Personnel Summary

Total number of permanent positions.....	325	325	325
Full-time equivalent of other positions.....	35	35	35
Average paid employment.....	351	348	348
Average GS grade.....	9.1	9.1	9.2
Average GS salary.....	\$14,563	\$14,668	\$14,922
Average salary of ungraded positions.....	\$8,276	\$8,731	\$8,731

Trust Funds

MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-18-9999-0-7-355	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Expenses and refunds, inspection, certification, and quarantine of animal products.....	1		
2. Expenses, feed, and attendants for animals in quarantine.....	95		
3. Miscellaneous contributed funds.....	632	458	421
4. Prior year advances returned.....	9	8	
Total program costs, funded ¹	737	466	421
Change in selected resources ²	-39	-37	-4
10 Total obligations.....	698	429	417
Financing:			
21 Unobligated balance available, start of year.....	-450	-135	-96
23 Unobligated balance transferred to other accounts.....	186		
24 Unobligated balance available, end of year.....	135	96	108
60 Budget authority (appropriation) (permanent, indefinite).....	569	390	429

Distribution of budget authority by account:

Expenses and refunds, inspection, certification, and quarantine of animal products.....	1		
Expenses, feed, and attendants for animals in quarantine.....	87		
Miscellaneous contributed funds.....	481	390	429

Relation of obligations to outlays:

71 Obligations incurred, net.....	698	429	417
72 Obligated balance, start of year.....	174	200	206
74 Obligated balance, end of year.....	-200	-206	-181
90 Outlays.....	671	423	442

Distribution of outlays by account:

Expenses and refunds, inspection, certification, and quarantine of animal products.....	1		
Expenses, feed, and attendants for animals in quarantine.....	104		
Miscellaneous contributed funds.....	566	423	442

¹ Includes capital outlay as follows: 1972, \$48 thousand; 1973, \$35 thousand; 1974, \$33 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$100 thousand; 1972, \$61 thousand; 1973, \$24 thousand; 1974, \$20 thousand.

The following services are financed by fees and miscellaneous contributions advanced by importers, manufacturers, States, organizations, individuals, and others.

1. *Expenses and refunds, inspection, certification, and quarantine of animal products* and byproducts not intended for human food, and for other purposes, moving in interstate and foreign commerce primarily to prevent introduction and spread of animal diseases (7 U.S.C. 1622 h and n), (21 U.S.C. 111). Fees are paid in advance for services to be rendered.

2. *Expenses, feed, and attendants for animals in quarantine* are paid from fees advanced by importers (21 U.S.C. 102).

3. *Miscellaneous contributed funds* received from States, local organizations, individuals, and others are available for work under cooperative agreements on research activities, plant and animal quarantine inspection, and cooperative plant and animal disease and pest control activities (7 U.S.C. 450b, 2220).

Object Classification (in thousands of dollars)

Identification code 05-18-9999-0-7-355	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	119	48	47
11.3 Positions other than permanent.....	61	49	47
11.5 Other personnel compensation.....	16	4	4
Total personnel compensation.....	196	101	98
12.1 Personnel benefits: Civilian.....	18	7	7
21.0 Travel and transportation of persons.....	59	25	24
22.0 Transportation of things.....	4	2	2
23.0 Rent, communications, and utilities.....	21	16	16
24.0 Printing and reproduction.....	1	1	1
25.0 Other services.....	92	74	72
26.0 Supplies and materials.....	235	123	128
31.0 Equipment.....	39	45	43
32.0 Lands and structures.....	24	27	26
44.0 Refunds.....	9	8	
99.0 Total obligations.....	698	429	417

Personnel Summary

Total number of permanent positions.....	4	4	4
Full-time equivalent of other positions.....	6	5	5
Average paid employment.....	16	8	8
Average GS grade.....	9.1	9.1	9.2
Average GS salary.....	\$14,563	\$14,668	\$14,922
Average salary of ungraded positions.....	\$8,276	\$8,731	\$8,731

ANIMAL AND PLANT HEALTH
INSPECTION SERVICE

Federal Funds

General and special funds:

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c) necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine and regulatory activities; to carry on services related to consumer protection; and to protect the environment, as authorized by law, [\$289,304,000] \$336,171,000 of which \$1,500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended for the control of outbreaks of insects, plant diseases and animal diseases to the extent necessary to meet emergency conditions, and [\$19,000,000] \$49,000,000 shall be for repayment to the Commodity Credit Corporation of advances (and interest thereon) made in accordance with authorities contained in the provisions of the appropriation [item] items for the Agricultural Research Service in the Agriculture-Environmental and Consumer Protection Appropriation Act, 1972, and for the Animal and Plant Health Inspection Service in the Agriculture-Environmental and Consumer Protection Appropriation Act, 1973: Provided, That [\$2,000,000] \$1,000,000 of the funds for control of the fire ant shall be placed in reserve for matching purposes with States which may come into the program: Provided further, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by any State of at least 40 per centum: Provided further, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$60,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed [two for replacement only] four, of which two shall be for replacement only, and for acquisition without cost of not to exceed 67 aircraft to be obtained by transfer: Provided further, That this appropriation shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$40,000, except for one building to be constructed or improved at a cost of not to exceed \$80,000, and the cost of altering any one building during the fiscal year shall not exceed \$15,000, or 15 per centum of the cost of the building, whichever is greater: Provided further, That \$880,000 shall remain available until expended for plans, construction, and improvement of facilities, without regard to limitations contained herein: Provided further, That, in addition, in emergencies which threaten the livestock or poultry industries of the country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for expenses in accordance with the Act of February 28, 1947, as amended, and any unexpended balances of funds transferred for such emergency purposes in the next preceding fiscal year shall be merged with such transferred amounts. (5 U.S.C. 5542, 5901; 7 U.S.C. 145, 147a-148a, 148c-150j, 151-164a, 165a-167, 281-283, 391, 394a-396, 428a, 433-434, 450, 450b, 1651-1656, 1901-1906, 2131-2147, 2149-2155, 2201-2202, 2208, 2220, 2225, 2228-2229, 2232-2233, 2239, 2250-2250a, 2258-2260, 2262-2263; 10 U.S.C. 2306; 15 U.S.C. 69e, 1821-1831; 18 U.S.C. 1114; 19 U.S.C. 1306; 21 U.S.C. 101-105, 111-114, 114a-1-114c, 114d-1, 114e-131, 134-135b, 151-158, 451-469, 601-624, 641-645, 661, 671-680, 692-695; 26 U.S.C. 4491-4494; 31 U.S.C. 725a; 45 U.S.C. 71-74; 46 U.S.C. 446a-466b; 49 U.S.C. 1474(a), 1509(d), 1741; 46 Stat. 67; 78 Stat. 939-940; 85 Stat. 418, Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-21-1600-0-1-355	1972 actual	1973 est.	1974 est.
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Program by activities:

Direct program:

1. Meat and poultry inspection.....	37,204	159,581	174,871
2. Plant disease and pest control.....	28,062	43,657	42,830

3. Animal disease and pest control.....	48,521	95,477	70,770
4. Construction of facilities.....	-----	880	720
5. Contingencies.....	1,451	1,500	1,500
Total direct program.....	115,238	301,095	290,691

Reimbursable program:

1. Inspection, grading, and standardization.....	6,621	24,200	24,200
2. Plant and animal disease and pest control.....	2,307	3,633	3,633
3. Miscellaneous services to other accounts.....	20	41	41
4. Agency for International Development (funds appropriated to the President).....	68	110	87
Total reimbursable program.....	9,016	27,984	27,961

Total program costs, funded ¹	124,254	329,079	318,652
Change in selected resources ²	4,925	-----	780

10 Total obligations.....	129,179	329,079	319,432
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Financing:

Receipts and reimbursements from:

11 Federal funds.....	-980	-1,622	-1,599
13 Trust funds.....	-27	-61	-61
14 Non-Federal sources.....	-8,009	-26,301	-26,301
21 Unobligated balance available, start of year.....	-----	-1,500	-1,500
22 Unobligated balance transferred from other accounts.....	-22,000	-33,700	-----
23 Unobligated balance transferred to other accounts.....	-----	18,000	46,200
24 Unobligated balance available, end of year.....	1,500	1,500	-----
25 Unobligated balance lapsing.....	2,082	3,657	-----

Budget authority.....	101,745	289,052	336,171
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Budget authority:

40 Appropriation.....	-----	289,304	336,171
41 Transferred to other accounts.....	-----	-252	-----
42 Transferred from other accounts.....	101,745	-----	-----
43 Appropriation (adjusted).....	101,745	289,052	336,171

Relation of obligations to outlays:

71 Obligations incurred, net.....	120,163	301,095	291,471
72 Obligated balance, start of year.....	-----	18,759	16,127
74 Obligated balance, end of year.....	-18,759	-16,127	-19,164
90 Outlays.....	101,404	303,727	288,434

¹ Includes capital outlay as follows: 1972, \$1,850 thousand; 1973, \$5,397 thousand; 1974, \$6,225 thousand.

² Selected resources as of June 30 are as follows:

	1971	1972 adjust- ments	1972	1973	1974
Stores.....	--	278	346	346	346
Undelivered orders.....	--	---	4,857	4,857	5,637
Total selected resources.....	--	278	5,203	5,203	5,983

The Animal and Plant Health Inspection Service was established on April 2, 1972, pursuant to the authority of the Reorganization Plan No. 2 of 1953. The programs of the Service were formerly performed by the Animal and Plant Health Service and the Consumer and Marketing Service.

The major objectives of the Service are to insure that the meat and poultry products available to consumers are wholesome in every respect and labeled according to law and to protect the animal and plant resources of the Nation from destructive pests and diseases. These objectives are accomplished through the workings of our meat and poultry inspection program and through a series of plant and animal disease and pest control programs.

Costs, financing and outlays relating to obligations incurred under the plant and animal disease and pest control

General and special funds—Continued

ANIMAL AND PLANT HEALTH INSPECTION SERVICE—Continued

programs prior to October 31, 1971, are included in the budget appendix under Agricultural Research Service. Costs, financing and outlays relating to obligations incurred under the meat and poultry inspection program prior to April 2, 1972, are included in the budget appendix under Agricultural Marketing Service. The level of activity performed prior to these dates is included in the data below for comparative purposes.

1. *Meat and poultry inspection.*—Federal meat inspection is required for all meat and meat products moving in interstate and foreign commerce to insure a clean and wholesome meat supply for human consumption, free from adulteration, and truthfully labeled. All meat and meat products moving in intrastate commerce must be federally inspected or inspected by States to standards at least equal to the Federal. The work includes inspection of animals, carcasses, meat, and meat-food products at various stages of handling and processing.

Measures are enforced to insure informative labeling, and that meats imported or exported are inspected. The Federal program also provides financial and technical assistance to States for improving the quality of their inspection programs. Inspection of poultry meat and poultry meat products for wholesomeness is provided pursuant to the Poultry Products Inspection Act of 1957, as amended. All poultry processed in plants shipping in interstate or foreign commerce is required to be inspected both before and after slaughter. Birds found to be unfit for human consumption are condemned and removed from channels of trade. The Federal program also provides financial and technical assistance to States for improving the quality of their inspection programs.

The increases in the 1974 estimates provide for inspection of additional plants and assumption of intrastate inspection responsibilities from States unable to maintain an inspection system at least equal to the Federal.

The volume of inspections and examinations is indicated by examples given in the following tables:

MEAT INSPECTION

	1971 actual	1972 actual	1973 estimate	1974 estimate
Number of establishments covered.....	3,667	4,151	5,360	5,710
Post-mortem inspection (thousands).....	130,420	127,937	131,000	131,700
Carcasses condemned (thousands).....	268	265	280	290
Inspection of processed meat and meat-food products (millions of pounds).....	52,537	52,431	53,930	54,600

POULTRY INSPECTION

	1972 actual	1973 estimate	1974 estimate
Billion pounds to be inspected.....	28.6	31.4	32.0
Plants under inspection.....	1,592	1,830	2,040
Operating lines under inspection, June 30..	1,769	1,820	1,850

2. *Plant disease and pest control.*—Programs are designed to keep out of this country by inspection at ports of entry those harmful insects, plant diseases, nematodes, and other pests that cause great damage to agriculture in other countries. Working with the States, programs are conducted to eradicate or prevent spread of crop pests that become established in this country. Assistance is given to the States to suppress incipient and emergency outbreaks of crop pests when and where they occur. The

1974 estimates propose decreases for the gypsy moth, fire ant, European chafer, soybean cyst nematode, sweetpotato weevil and phony peach and peach mosaic programs.

The level of activities for plant pest control is shown by the selected examples that follow:

Acres treated (thousands):	1972 actual	1973 estimate	1974 estimate
Boll weevil.....	800	700	500
Grasshopper.....	800	2,100	1,000
Gypsy moth.....	32	50	50
Imported fire ant ¹	11,000	20,000	17,250
Japanese beetle.....	15	14	14
White-fringed beetle.....	9	7	7
Sterile flies released (millions): Mexican fruit fly.....	23	23	23
Sterile moths released (millions): Pink bollworm (adult moth).....	145	145	100
Parasites released:			
Gypsy moth (millions).....	6.4	5	5
Cereal leaf beetle (thousands)....	212	195	300

¹ Aggregate acres.

The level of activities for agricultural quarantine inspection at ports of entry is as follows:

Plant and animal byproduct import inspection:	1972 actual	1973 estimate	1974 estimate
Airplanes (thousands).....	315	325	340
Vessels (thousands).....	71	75	80
Vehicles from Mexico (millions).....	31	38	40
Baggage, pieces, including mandado (millions).....	95	100	105
Mail packages (millions).....	61	62	63
Interceptions (thousands):			
Unauthorized plant materials.....	641	650	665
Plant pests.....	41	44	46
Imported animal byproducts, pounds (millions).....	575	600	700

3. *Animal disease and pest control.*—Programs are conducted to keep communicable diseases of foreign origin from entering this country and to prevent the spread of disease through interstate shipments of livestock or distribution of impure or impotent veterinary biologics. Other programs are directed at the control and eradication of livestock diseases. The animal welfare program is concerned with the humane care and handling of approximately 40 million warm-blooded animals. The 1974 estimates propose increases for a cooperative screw-worm eradication program in Mexico and a Newcastle disease surveillance program. The estimates also propose a decrease in the salmonella program. Increases are also included for repayments to Commodity Credit Corporation for advances made for exotic Newcastle disease and hog cholera emergencies.

The level of activities for the major control programs on animal diseases and pests is as follows:

Brucellosis:	1972 actual	1973 estimate	1974 estimate
Certified free States, plus Virgin Islands.....	28	29	29
Modified certified States plus Puerto Rico.....	24	23	23
Herds tested (thousands):			
Blood tests.....	214	195	180
Milk ring tests.....	1,040	1,050	1,050
Reactors found (thousands).....	124	-----	-----
Hog cholera:			
Hog-cholera-free States.....	44	47	52
Suspicious outbreaks reported.....	2,649	3,500	2,000
Outbreaks confirmed.....	76	-----	-----

Tuberculosis:			
Modified accredited States, plus Puerto Rico	47	45	42
Accredited free States, plus Virgin Islands	4	7	10
Cattle tested (thousands)	3,101	2,900	2,700
Reactors found (thousands)	2	-----	-----
Scabies:			
Sheep inspected (millions)	8	6	5
Infected sheep: Chorioptic	1	-----	-----
Cattle inspected (millions)	36	38	35
Infected cattle:			
Psoroptic	371,967	-----	-----
Chorioptic	11,063	-----	-----
Sarcoptic	3,182	-----	-----
Screw-worm:			
Sterile flies released (millions)	7,208	10,000	10,000
Cases in United States outside of barrier	8,270	40,000	100
Cases in United States part of barrier	13,223	60,000	900
Cases in Mexico part of barrier	16,755	20,000	10,000
Ticks:			
Cattle inspected (millions)	1.7	2.0	1.5
Outbreaks	54	-----	-----
Veterinary biologics:			
Serials produced	13,548	12,000	12,000
Serials potency tested	2,351	2,400	2,400
Unsatisfactory for potency	115	-----	-----
Serials sterility tested	3,749	3,600	3,600
Unsatisfactory for sterility	165	-----	-----
Public stockyards inspection:			
Animals inspected (millions)	32.4	30	111
Diseased animals found (thousands)	282	-----	-----

The level of activities for animal inspection and quarantine and animal care is as follows:

Import inspection (thousands):			
Animals	1972 actual	1973 estimate	1974 estimate
Personally owned pet birds	1,160	1,160	1,165
Animal care:	-----	25	30
Research facilities inspected	9,595	7,500	7,000
Animal dealers inspected	3,229	5,500	8,000
Zoos inspected (public)	36	500	500
Zoos inspected (private)	2	1,000	1,250
Circuses, carnivals and exhibitions inspected	6	250	250
Horse shows inspected	317	250	250

4. *Construction of facilities.*—The 1974 estimates propose a decrease in nonrecurring planning funds appropriated in fiscal year 1973. Construction of an animal quarantine station in accordance with Public Law 88-592 is planned in fiscal year 1974 with the \$1.5 million appropriated in fiscal year 1970.

5. *Contingencies.*—Of the total annual amounts provided under this appropriation, \$1.5 million is available for the control of outbreaks of insects, plant diseases, and animal diseases to the extent necessary to meet emergency conditions.

Object Classification (in thousands of dollars)

Identification code 05-21-1600-0-1-355	1972 actual	1973 est.	1974 est.
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions	60,827	153,966	165,460
11.3 Positions other than permanent	3,695	10,447	8,947
11.5 Other personnel compensation	1,860	2,761	2,964
Total personnel compensation	66,382	167,174	177,371
12.1 Personnel benefits: Civilian	6,308	15,152	15,987
13.0 Benefits for former personnel	45	6	6
21.0 Travel and transportation of persons	5,675	11,761	12,365
22.0 Transportation of things	969	2,844	2,295
23.0 Rent, communications, and utilities	1,980	4,012	3,556
24.0 Printing and reproduction	252	1,161	1,245
25.0 Other services	14,151	26,257	24,309

26.0 Supplies and materials	5,982	16,122	13,253
31.0 Equipment	1,685	4,309	4,517
32.0 Lands and structures	155	880	1,500
41.0 Grants, subsidies, and contributions:			
Payments to Mexican-United States Commission for the Prevention of Foot-and-Mouth Disease			
Grants to States for meat and poultry inspection	31	56	56
42.0 Insurance claims and indemnities	6,004	31,100	31,100
Indemnities:			
Exotic Newcastle	21	13	13
Tuberculosis	6,410	13,600	150
Brucellosis	642	1,983	1,983
Scrapie of sheep	2,716	1,502	1,502
Hog cholera	16	45	45
	745	3,125	225
Subtotal	120,169	301,102	291,478
95.0 Quarters and subsistence charges	-6	-7	-7
Total direct obligations	120,163	301,095	291,471
Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions	2,288	5,619	5,610
11.3 Positions other than permanent	129	22	22
11.5 Other personnel compensation	5,765	20,521	20,521
Total personnel compensation	8,182	26,162	26,153
12.1 Personnel benefits: Civilian	147	481	480
21.0 Travel and transportation of persons	66	380	375
22.0 Transportation of things	18	54	48
23.0 Rent, communications, and utilities	57	82	82
24.0 Printing and reproduction	14	25	25
25.0 Other services	379	328	326
26.0 Supplies and materials	143	264	264
31.0 Equipment	10	208	208
Total reimbursable obligations	9,016	27,984	27,961
99.0 Total obligations	129,179	329,079	319,432

Personnel Summary

Direct:			
Total number of permanent positions	13,674	13,989	14,830
Full-time equivalent of other positions	611	1,369	1,214
Average paid employment	5,531	14,141	15,031
Average GS grade	8.2	8.1	8.1
Average GS salary	\$11,922	\$11,900	\$11,827
Average salary of ungraded positions	\$7,800	\$7,800	\$7,790
Reimbursable:			
Total number of permanent positions	433	427	427
Full-time equivalent of other positions	3	6	6
Average paid employment	143	414	414
Average GS grade	8.2	8.1	8.1
Average GS salary	\$11,922	\$11,900	\$11,827
Average salary of ungraded positions	\$7,800	\$7,800	\$7,790

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

(Supplemental now requested)

Program and Financing (in thousands of dollars)

Identification code 05-21-1600-1-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
10 Meat and poultry inspection (costs—obligations)	-----	12,100	-----
Financing:			
40 Budget authority (proposed supplemental appropriation)	-----	12,100	-----
Relation of obligations to outlays:			
71 Obligations incurred, net	-----	12,100	-----
90 Outlays	-----	12,100	-----

General and special funds—Continued

ANIMAL AND PLANT HEALTH INSPECTION SERVICE—Continued

(Supplemental now requested)—Continued

A narrative statement, describing the purpose of this request, and proposed appropriation language are included in Part III of this volume.

ANIMAL QUARANTINE STATION

Program and Financing (in thousands of dollars)

Identification code 05-21-5222-0-2-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Construction of facilities.....		50	471
Change in selected resources ¹		80	-80
10 Total obligations.....		130	391
Financing:			
21 Unobligated balance available, start of year	-94	-94	-64
24 Unobligated balance available, end of year	94	64	
60 Budget authority (appropriation) (permanent, indefinite, special fund).....		100	327
Relation of obligations to outlays:			
71 Obligations incurred, net.....		130	391
72 Obligated balance, start of year.....			80
74 Obligated balance, end of year.....		-80	
90 Outlays.....		50	471

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$0; 1972, \$0; 1973, \$80 thousand; 1974, \$0.

Public Law 88-592, approved September 12, 1964, authorized the sale of the Animal Quarantine Station, at Clifton, N.J., to the city of Clifton, and application of the proceeds of sale to the planning and construction costs of a new station in the New York-New Jersey port and airport area. A sales contract between the Department and the city of Clifton was executed on December 16, 1966, at the appraised value of \$527 thousand. Of that amount, \$100 thousand was paid to the Department upon execution of the contract. An additional \$100 thousand will be paid to the Department upon award of an architect-engineering contract for development of design and construction plans, and the balance will be paid upon publication of bids for construction of the new quarantine station. A total of \$6 thousand has been spent by the Department on survey and related costs associated with obtaining a new site. An additional \$1.5 million was provided in 1970 under the sub-appropriation Plant and animal disease and pest control, now redesignated Animal and Plant Health Inspection Service, for the remainder of the total cost of \$2,027 thousand for the new station. The Department has recently been informed by the General Services Administration that the proposed site on Floyd Bennett Field is not available. The Department is presently investigating other possible sites.

Object Classification (in thousands of dollars)

Identification code 05-21-5222-0-2-355	1972 actual	1973 est.	1974 est.
25.0 Other services.....		130	
32.0 Lands and structures.....			391
99.0 Total obligations.....		130	391

Trust Funds

MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-21-9999-0-7-355	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Expenses and refunds, inspection, certification, and quarantine of animal products.....	119	644	644
2. Expenses, feed, and attendants for animals in quarantine.....	162	175	175
3. Miscellaneous contributed funds.....	532	840	840
Total program costs, funded ¹	813	1,659	1,659
Change in selected resources ²	10		
10 Total obligations.....	823	1,659	1,659
Financing:			
21 Unobligated balance available, start of year		-560	-560
22 Unobligated balance transferred from other accounts.....	-440		
24 Unobligated balance available, end of year	560	560	560
60 Budget authority (appropriation) (permanent, indefinite, special fund).....	943	1,659	1,659
Distribution of budget authority by account:			
Expenses and refunds, inspection, certification, and quarantine of animal products.....	60	644	644
Expenses, feed, and attendants for animals in quarantine.....	176	175	175
Miscellaneous contributed funds.....	708	840	840
Relation of obligations to outlays:			
71 Obligations incurred, net.....	823	1,659	1,659
72 Obligated balance, start of year.....		59	217
74 Obligated balance, end of year.....	-59	-217	-375
90 Outlays.....	764	1,501	1,501
Distribution of outlays by account:			
Expenses and refunds, inspection, certification, and quarantine of animal products.....	111	583	583
Expenses, feed, and attendants for animals in quarantine.....	157	158	158
Miscellaneous contributed funds.....	496	760	760

¹ Includes capital outlay as follows: 1972, \$0; 1973, \$3 thousand; 1974, \$3 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1972, \$10 thousand; 1973, \$10 thousand; 1974, \$10 thousand.

The following services are financed by fees and miscellaneous contributions advanced by importers, manufacturers, States, organizations, individuals, and others.

1. *Expenses and refunds, inspection, certification, and quarantine of animal products.*—This includes inspection of products for human consumption and products and by-products not intended for human food. Meat products inspection services not required by Federal regulation are provided on request. Animal products and byproducts moving in interstate and foreign commerce are subject to inspection and quarantine regulations to prevent the introduction and spread of animal diseases. Fees are paid in advance for services to be rendered (7 U.S.C. 1621-1627) (21 U.S.C. 111).

2. *Expenses, feed, and attendants for animals in quarantine* are paid from fees advanced by importers (21 U.S.C. 102).

3. *Miscellaneous contributed funds* received from States, local organizations, individuals, and others are available for plant and animal quarantine inspection, and cooper-

ative plant and animal disease and pest control activities (7 U.S.C. 450b, 2220).

Object Classification (in thousands of dollars)

Identification code 05-21-9999-0-7-355	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	239	780	780
11.3 Positions other than permanent.....	32	70	70
11.5 Other personnel compensation.....	35	77	77
Total personnel compensation.....	306	927	927
12.1 Personnel benefits: Civilian.....	29	71	71
21.0 Travel and transportation of persons.....	57	85	85
22.0 Transportation of things.....	12	14	14
23.0 Rent, communications, and utilities.....	19	20	20
24.0 Printing and reproduction.....	-----	1	1
25.0 Other services.....	357	158	158
26.0 Supplies and materials.....	45	383	383
31.0 Equipment.....	-----	3	3
Subtotal.....	825	1,662	1,662
95.0 Quarters and subsistence charges.....	-2	-3	-3
99.0 Total obligations.....	823	1,659	1,659

Personnel Summary

Total number of permanent positions.....	67	78	78
Full-time equivalent of other positions.....	3	4	4
Average paid employment.....	28	81	81
Average GS grade.....	8.2	8.1	8.1
Average GS salary.....	\$11,922	\$11,900	\$11,827
Average salary of ungraded positions.....	\$7,800	\$7,800	\$7,790

COOPERATIVE STATE RESEARCH SERVICE

Federal Funds

General and special funds:

COOPERATIVE STATE RESEARCH SERVICE

For payments to agricultural experiment stations, for grants for cooperative forestry and other research, for facilities, and for other expenses, including **[\$68,840,000]** **\$55,565,000** to carry into effect the provisions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), and further amended by *Public Law 92-318 approved June 23, 1972*, including administration by the United States Department of Agriculture, and penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended; **[\$6,444,000]** **\$3,962,000** for grants for cooperative forestry research under the Act approved October 10, 1962 (16 U.S.C. 582a-582a-7), as amended by *Public Law 92-318 approved June 23, 1972*; **[\$15,400,000]** **\$11,183,000**, in addition to funds otherwise available for contracts and grants for scientific research under the Act of August 4, 1965 (7 U.S.C. 450i); **of which \$1,900,000 shall be for the special cotton research program, \$400,000 for soybean research and \$2,000,000 shall be placed in reserve pending determination of qualified and necessary projects; \$264,000 for penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended]** **\$2,500,000 for Rural Development Research as authorized under the Rural Development Act of 1972 (Public Law 92-419), including administrative expenses; and \$490,000 for necessary expenses of the Cooperative State Research Service, including administration of payments to State agricultural experiment stations, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 for employment under 5 U.S.C. 3109; in all** **[\$91,438,000]** **\$73,700,000.** (7 U.S.C. 450b, 2201-2202, 2220, 2250a; 39 U.S.C. 3206(b); 39 U.S.C. 3202(a)(4); 42 U.S.C. 1891-1893; 86 Stat. 350-352; *Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-24-1500-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
1. Payments to agricultural experiment stations under the Hatch Act, and for penalty mail.....	63,023	67,316	53,750
2. Grants for cooperative forestry research.....	4,715	4,995	4,011
3. Contracts and grants for scientific research.....	4,221	7,837	6,439
4. Grants for facilities.....	423	513	100
5. Funds for rural development research.....	-----	-----	2,400
6. Federal administration.....	2,268	2,296	2,015
Total direct program.....	74,650	82,957	68,715
Reimbursable program:			
7. Miscellaneous services to other accounts.....	33	40	40
8. Agency for International Development (funds appropriated to the President).....	1	1	1
9. Current research information system.....	413	439	439
Total reimbursable program.....	447	480	480
Total program costs, funded ¹.....	75,097	83,437	69,195
Change in selected resources ².....	8,166	6,951	4,985
10 Total obligations.....	83,263	90,388	74,180
Financing:			
Receipts and reimbursements from:			
11 Federal funds.....	-424	-460	-460
14 Non-Federal sources ³	-23	-20	-20
25 Unobligated balance lapsing.....	132	1,530	-----
40 Budget authority (appropriation)....	82,948	91,438	73,700
Relation of obligations to outlays:			
71 Obligations incurred, net.....	82,816	89,908	73,700
72 Obligated balance, start of year.....	7,649	15,707	22,778
74 Obligated balance, end of year.....	-15,707	-22,778	-27,978
77 Adjustments in expired accounts.....	-56	-----	-----
90 Outlays.....	74,703	82,837	68,500

¹ Includes capital outlay as follows: 1972, \$5 thousand; 1973, \$5 thousand; 1974, \$5 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$7,483 thousand (1972 adjustments, -\$56 thousand); 1972, \$15,593 thousand; 1973, \$22,544 thousand; 1974, \$27,529 thousand.

³ Reimbursements are from various States for reimbursable details (7 U.S.C. 450b and 2220).

The Service administers funds for payments and grants to State agricultural experiment stations and other eligible institutions for the support of research in agriculture, the rural home, the rural community, and forestry. This administration involves supervision of the funds, and close advisory relations with the State agricultural experiment stations, schools of forestry, and other institutions eligible to receive funds. The Service participates in planning and coordination of research programs among the States and between the States and the Department.

1. *Payments to agricultural experiment stations under the Hatch Act.*—Grants under the Hatch Act are allocated to agricultural experiment stations of the land-grant colleges in the 50 States, Puerto Rico, Guam, and the Virgin Islands, for agricultural research including investigations and experiments to promote a permanent and efficient agricultural industry and improvements in the rural home and rural community. In addition, funds are provided to cover the cost of penalty mailings for State agricultural

General and special funds—Continued

COOPERATIVE STATE RESEARCH SERVICE—Continued

experiment station directors. A reduction in Hatch Act payments is requested in 1974 as part of a departmental reorientation of research priorities. An increase in penalty mail is requested to meet increased postal costs.

2. *Grants for cooperative forestry research.*—These grants are allocated to land-grant colleges or agricultural experiment stations in the 50 States, Puerto Rico, Guam, and the Virgin Islands, and other State-supported colleges and universities offering graduate training in the sciences basic to forestry and having a forestry school. The act requires that the Federal funds paid to each institution be matched by funds from non-Federal sources for forestry research. In 1974, a reduction in funds is requested as part of a departmental reorientation of research priorities.

3. *Contracts and grants for scientific research.*—These funds are for the support of grants on specific research problems at nonprofit institutions of higher education or nonprofit organizations whose primary purpose is the conduct of such research. Every competitive research proposal selected for funding must be evaluated and classified as outstanding and appropriate to the needs of the designated problem area. A decrease is requested in special grant funds to meet a proportional decrease in research. Funds will be utilized to support research in rural development. This is a problem of joint concern to the USDA and the States. The balance of the special grant funds is earmarked for the land-grant colleges of 1890 and Tuskegee Institute.

5. *Rural development research.*—This covers the allocation of funds under section 502(b) of the Rural Development Act of 1972 to conduct pilot research programs in support of the development of rural areas.

6. *Federal administration.*—A coordinating and review staff is maintained to examine research projects and assist State institutions and Federal agencies.

7. *Miscellaneous services to other accounts.*—These funds are used to provide technical assistance in administration of various agricultural experiment stations.

8. *Agency for International Development.*—These funds are used for Cooperative State Research Service personnel to train foreign participants in this country.

9. *Current research information system.*—These reimbursable funds from other agencies of the Department are used to operate the current research information system. This system provides information on research projects, status of the research and fund resources for research programs of the State agricultural experiment stations and other institutions.

The planned distribution of the funds requested for 1973 compared with 1974 is as follows (in thousands of dollars):

Payments to agricultural experiment stations under the Hatch Act:		
	1973	1974
Statutory formula	52,458	42,616
Regional research fund	14,546	11,129
Total research program	67,004	53,745
Set-aside for Federal administration (3%)	1,836	1,425
Penalty mail	264	395
Total Hatch Act	69,104	55,565
Grants for cooperative forestry research	4,944	3,962
Contracts and grants for scientific research	15,400	11,183
Funds for rural development research:		
Research program		2,400
Set-aside for Federal administration (4%)		100
Total, Rural Development Act		2,500

Federal administration (direct appropriation)	460	490
Balance lapsing	1,530	
Total	91,438	73,700

Object Classification (in thousands of dollars)

Identification code 05-24-1500-0-1-355	1972 actual	1973 est.	1974 est.
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions	1,495	1,433	1,135
11.3 Positions other than permanent	124	141	112
Total personnel compensation	1,619	1,574	1,247
12.1 Personnel benefits: Civilian	131	126	99
21.0 Travel and transportation of persons	200	185	210
22.0 Transportation of things	1	2	2
23.0 Rent, communications, and utilities	242	309	434
24.0 Printing and reproduction	41	50	43
25.0 Other services	224	279	344
26.0 Supplies and materials	12	20	19
31.0 Equipment	14	15	12
41.0 Grants, subsidies, and contributions	80,332	87,348	71,290
Total direct obligations	82,816	89,908	73,700
Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions	188	225	228
11.3 Positions other than permanent	13	7	7
11.5 Other personnel compensation	3	3	3
Total personnel compensation	203	235	238
12.1 Personnel benefits: Civilian	17	20	20
21.0 Travel and transportation of persons	10	1	1
23.0 Rent, communications, and utilities	4	3	3
24.0 Printing and reproduction	14	13	13
25.0 Other services	197	204	201
26.0 Supplies and materials	2	1	1
31.0 Equipment		3	3
Total reimbursable obligations	447	480	480
99.0 Total obligations	83,263	90,388	74,180

Personnel Summary

Total number of permanent positions	120	111	95
Full-time equivalent of other positions	10	9	9
Average paid employment	107	103	87
Average GS grade	9.3	9.9	9.9
Average GS salary	\$16,349	\$17,460	\$17,669

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-24-8200-0-7-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Miscellaneous contributed funds (program costs, funded)	3	4	4
Change in selected resources ¹	-1		
10 Total obligations (object class 24.0)	2	4	4
Financing:			
21 Unobligated balance available, start of year		-1	-1
24 Unobligated balance available, end of year	1	1	1
60 Budget authority (appropriation) (permanent, indefinite)	4	4	3

Relation of obligations to outlays:			
71 Obligations incurred, net.....	2	4	4
72 Obligated balance, start of year.....	3	2	2
74 Obligated balance, end of year.....	-2	-2	-2
90 Outlays.....	3	4	4

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971 \$3 thousand; 1972, \$2 thousand; 1973, \$2 thousand; 1974, \$2 thousand.

Miscellaneous funds received from States, local organizations, and others are available for work under cooperative agreements (7 U.S.C. 450b).

EXTENSION SERVICE

Federal Funds

General and special funds:

EXTENSION SERVICE

Payments to States [and], Puerto Rico, Guam and the Virgin Islands: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, [and] the Act of October 5, 1962 (7 U.S.C. 341-349), and section 506 of the Act of June 23, 1972, to be distributed under sections 3(b) and 3(c) of the Act, [and] for retirement and employees' compensation costs for extension agents, [\$120,858,000] and for costs of penalty mail for cooperative extension agents and State extension directors, \$132,675,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, [\$50,560,000] \$47,360,000; payments for extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321-326, 328) and Tuskegee Institute under section 3(d) of the Act, \$6,000,000, of which \$2,000,000 shall be placed in reserve pending determination of the availability of qualified personnel; payments for rural development work under section 3(d) of the Act, [\$2,000,000] \$1,000,000; payments for the pest management program under section 3(d) of the Act, \$500,000; payments and contracts for such work under section 204(b)-205 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,450,000; and payments for extension work under section 109 of the District of Columbia Public Education Act, as [amended by the Act of June 20, 1968 (7 U.S.C. 329)] added by the Act of June 20, 1968, and amended by the Act of January 5, 1971 (D.C. Code 31-1609) \$800,000, and \$2,500,000 for Rural Development Education as authorized under the Rural Development Act of 1972 (Public Law 92-419); in all, [\$182,168,000] \$192,285,000: Provided further, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, shall not be paid to any State [or], Puerto Rico, Guam and the Virgin Islands prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

[Penalty mail: For costs of penalty mail for cooperative extension agents and State extension directors, \$7,617,000.]

Federal administration and coordination: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, [and] the Act of October 5, 1962 (7 U.S.C. 341-349), and section 506 of the Act of June 23, 1972, and extension aspects of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), [and of] the District of Columbia Public Education Act, as [amended by the Act of June 20, 1968 (7 U.S.C. 329)] added by the Act of June 20, 1968, and amended by the Act of January 5, 1971 (D.C. Code 31-1609), and the Rural Development Act of 1972 (Public Law 92-419) and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, \$4,546,000: Provided, That not to exceed \$15,000 shall be available for employment under 5 U.S.C. 3109. (5 U.S.C. 8147; 39 U.S.C. 3206; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-27-0502-0-1-355 1972 actual 1973 est. 1974 est.

Program by activities:

Direct program:

1. Payments to States, Puerto Rico, Guam, and the Virgin Islands:

(a) Payments for cooperative agricultural extension work under Smith-Lever Act, retirement and employees' compensation costs for extension agents, and penalty mail.....	162,963	182,678	185,780
(b) Payments and contracts under the Agricultural Marketing Act.....	1,496	1,465	1,451
(c) Payments for cooperative extension work under the District of Columbia Public Education Act.....	768	768	768
(d) Payments for rural development extension education.....			2,400
2. Federal administration and coordination.....	6,174	6,378	6,461
Total direct program.....	171,401	191,289	196,860
Reimbursable program:			
3. Federal administration and coordination:			
(a) Cooperation with Bureau of Indian Affairs on extension program with Indians.....	53	56	56
(b) Teaching materials developed and provided State Extension Services under cooperative agreement on a cost-sharing basis.....	18	83	79
(c) Agency for International Development (funds appropriated to the President).....	1,403	840	558
(d) Miscellaneous services to other accounts.....	51	61	62
Total, reimbursable program.....	1,525	1,040	755
Total program costs, funded ¹	172,926	192,329	197,615
Change in selected resources ²	-221	-17	-31
10 Total obligations.....	172,706	192,312	197,584
Financing:			
Receipts and reimbursements from:			
11 Federal funds.....	-1,506	-957	-676
14 Non-Federal sources.....	-28	-77	-77
25 Unobligated balance lapsing.....	1,107	3,053	
40 Budget authority (appropriation).....	172,279	194,331	196,831
Relation of obligations to outlays:			
71 Obligations incurred, net.....	171,172	191,278	196,831
72 Obligated balance, start of year.....	16,555	17,844	17,424
74 Obligated balance, end of year.....	-17,844	-17,424	-17,057
77 Adjustments in expired accounts.....	-72		
90 Outlays.....	169,811	191,698	197,198

¹ Includes capital outlay as follows: 1972, \$18 thousand; 1973, \$32 thousand; 1974, \$32 thousand. Excludes adjustment of prior year costs of \$82 thousand from 1972 column.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$772 thousand (1972 adjustments, -\$82 thousand); 1972, \$469 thousand; 1973, \$452 thousand; 1974, \$421 thousand.

The primary function of the nationwide system of cooperative extension work is out-of-school applied education in agriculture, home economics, community development, 4-H youth programs, and related subjects. This educational work takes research results, technological advancements, and program facts of the Department of Agriculture, the State agricultural colleges and experiment stations, and incorporates them into a program for action. Cooperative Extension Service interprets, disseminates, and encourages practical use of knowledge. It transmits information from researchers to people.

General and special funds—Continued

EXTENSION SERVICE—Continued

1. *Payments to States, Puerto Rico, Guam, and the Virgin Islands.*—Funds appropriated under the Smith-Lever Act for payments to States, Puerto Rico, Guam, and the Virgin Islands are distributed primarily on the basis of population and to a degree on basis of special problems and needs. Funds appropriated under the Agricultural Marketing Act are distributed to States, Puerto Rico, Guam, and the Virgin Islands on a matching basis under approved projects. Funds are used primarily for the employment of State and county extension workers who work with individuals, families, community organizations, marketing concerns, and others by providing advice and assistance in the application of improved methods for production, marketing, nutrition, and family living. Work with youth is accomplished largely through 4-H clubs. Funds also provide for Federal payment to the Bureau of Employees' Compensation Fund. Extension agents are paid from Federal, State, and county sources. The mandatory retirement contribution for these agents is authorized by Public Law 854, approved July 31, 1956. The employer's contribution to the retirement fund is provided by this Federal appropriation. Funds under section 502(a) of the Rural Development Act are for payments to conduct pilot extension education activities in support of the development of rural areas.

Funds for the cost of penalty mailings for State extension directors and cooperative extension agents are also provided. The net increase of \$2,502 thousand in this item will include a decrease of \$2,440 thousand in funds for program operations under section 3(c), \$3,200 thousand for the low-income nutrition and family education program under section 3(d) and \$1,000 thousand for rural development work under section 3(d) offset by increases of \$2,400 thousand to conduct pilot extension educational activities in support of the development of rural areas and \$6,742 thousand in penalty mail for increased postal rates.

2. *Federal administration and coordination.*—The Extension Service provides leadership and assistance to States, Puerto Rico, Guam, and the Virgin Islands in developing extension programs, improving teaching methods, efficient use of available resources, evaluation of programs, and administrative services. Extension Service also coordinates the educational activities of U.S. Department of Agriculture agencies. The decrease of \$2 thousand will reduce funds available for pilot projects in selected areas.

Object Classification (in thousands of dollars)

Identification code 05-27-0502-0-1-355	1972 actual	1973 est.	1974 est.
EXTENSION SERVICE			
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	3,425	3,420	3,309
11.3 Positions other than permanent.....	135	88	60
11.5 Other personnel compensation.....	12	5	5
11.8 Special personal services payments.....	36	36	36
Total personnel compensation.....	3,609	3,549	3,410
Personnel benefits:			
12.1 Civilian.....	319	295	283
12.1 Retirement and compensation costs for extension agents.....	12,592	13,407	13,407
21.0 Travel and transportation of persons.....	354	291	360
22.0 Transportation of things.....	31	52	52
23.0 Rent, communications, and utilities.....	3,745	7,717	14,509
24.0 Printing and reproduction.....	164	178	178

25.0 Other services.....	1,136	1,861	1,935
26.0 Supplies and materials.....	37	25	35
31.0 Equipment.....	31	31	31
41.0 Grants, subsidies, and contributions.....	148,971	163,872	162,631
Total direct obligations.....	170,989	191,278	196,831

Reimbursable obligations:
Personnel compensation:

11.1 Permanent positions.....	1,068	591	399
11.3 Positions other than permanent.....	30	51	65
11.5 Other personnel compensation.....	128	60	26
Total personnel compensation.....	1,226	702	490
12.1 Personnel benefits: Civilian.....	90	54	38
21.0 Travel and transportation of persons.....	65	110	72
22.0 Transportation of things.....	19	18	12
23.0 Rent, communications, and utilities.....	14	9	7
24.0 Printing and reproduction.....	35	86	85
25.0 Other services.....	63	32	27
26.0 Supplies and materials.....	9	21	21
31.0 Equipment.....	13	2	1

Total reimbursable obligations.....	1,534	1,034	753
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ALLOCATION TO ANIMAL AND
PLANT HEALTH INSPECTION
SERVICE

25.0 Other services.....	183		
99.0 Total obligations.....	172,706	192,312	197,584

Personnel Summary

Total number of permanent positions.....	259	251	228
Full-time equivalent of other positions.....	15	12	12
Average paid employment.....	272	243	218
Average GS grade.....	10.1	10.0	10.3
Average GS salary.....	\$17,147	\$17,041	\$17,832
Average FC grade.....	10.4	10.9	10.9
Average FC salary.....	\$22,346	\$23,436	\$24,156
Average salary of ungraded positions.....	\$6,739	\$6,198	\$6,198

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:

Agriculture:

Soil Conservation Service, "Resource conservation and development."

Farmers Home Administration, "Salaries and expenses."

Justice: Bureau of Narcotics and Dangerous Drugs, "Salaries and expenses."

Defense: Department of the Army: "Military Construction, Army."

Intragovernmental funds:

CONSOLIDATED WORKING FUND

Program and Financing (in thousands of dollars)

Identification code 05-27-3905-0-4-355	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Cooperation with Department of Defense on extension program work in rural defense information and education program.....	345	288	288
Total program costs, funded ¹	345	288	288
Change in selected resources ²	-46	-38	-38
10 Total obligations.....	299	250	250
Financing:			
11 Receipts and reimbursements from: Federal funds.....	299	250	250
Budget authority.....			

Relation of obligations to outlays:			
71 Obligations incurred, net.....			
72 Obligated balance, start of year.....	179	253	253
74 Obligated balance, end of year.....	-253	-253	-253
77 Adjustments in expired accounts.....	-17		
90 Outlays.....	-91		

¹ Excludes adjustment of prior year costs of \$17 thousand.² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$158 thousand (1972 adjustments, -\$17 thousand); 1972, \$95 thousand; 1973, \$57 thousand; 1974, \$19 thousand.

Object Classification (in thousands of dollars)

Personnel compensation:			
11.1 Permanent positions.....	35	41	42
11.3 Positions other than permanent.....	6	6	6
Total personnel compensation.....	41	47	48
12.1 Personnel benefits: Civilian.....	3	4	4
21.0 Travel and transportation of persons.....	3	5	5
22.0 Transportation of things.....	1	1	1
23.0 Rent, communications, and utilities.....	5	5	5
24.0 Printing and reproduction.....	4		
25.0 Other services.....	242	187	186
26.0 Supplies and materials.....		1	1
99.0 Total obligations.....	299	250	250

Personnel Summary

Total number of permanent positions.....	1	1	1
Full-time equivalent of other positions.....	1	1	1
Average paid employment.....	2	3	3
Average GS grade.....	10.1	10.0	10.3
Average GS salary.....	\$17,147	\$17,041	\$17,832

NATIONAL AGRICULTURAL LIBRARY

Federal Funds

General and special funds:

NATIONAL AGRICULTURAL LIBRARY

For necessary expenses of the National Agricultural Library \$4,226,750: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$35,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That not to exceed \$100,000 shall be available pursuant to 7 U.S.C. 2250 for the alteration and repair of buildings and improvements. (5 U.S.C. 5946; 7 U.S.C. 450b, 450i, 2201, 2202, 2204, 2206, 2244, 2264, 2265; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-30-0300-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
Agricultural library services for research and education.....	4,261	4,221	4,227
Reimbursable program:			
Agricultural library services for research and education.....	122	188	188
Total program costs, funded ¹	4,383	4,409	4,415
Change in selected resources ²	-140		
10 Total obligations.....	4,244	4,409	4,415
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-122	-188	-188
25 Unobligated balance lapsing.....	21	6	
40 Budget authority (appropriation)....	4,143	4,227	4,227

Relation of obligations to outlays:

71 Obligations incurred, net.....	4,122	4,221	4,227
72 Obligated balance, start of year.....	875	766	660
74 Obligated balance, end of year.....	-766	-660	-554
77 Adjustments in expired accounts.....	-23		
90 Outlays.....	4,208	4,327	4,333

¹ Includes capital outlays as follows: 1972, \$21 thousand; 1973, \$8 thousand; 1974, \$8 thousand.² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$666 thousand (1972 adjustments, -\$23 thousand); 1972, \$503 thousand; 1973, \$503 thousand; 1974, \$503 thousand.

The National Agricultural Library, cooperating jointly with the two other national libraries—the Library of Congress and the National Library of Medicine—provides coverage and servicing of worldwide publications in the agricultural, chemical, and biological sciences. It serves the research, extension, regulatory, and other programs of the Department and State agricultural agencies. Since the Library's primary purpose is to provide for research needs, it has acquired and preserved what is considered to be the most exhaustive body of literature available on all phases of agriculture and the allied sciences—botany, chemistry, animal industry, veterinary medicine, biology, agricultural engineering, rural sociology, forestry, entomology, food and nutrition, soils and fertilizers, and the marketing, transportation, and other economic aspects of agricultural products. Publications are currently acquired from more than 150 governments and jurisdictional entities in some 50 different languages. In addition, printed information of agricultural societies, organizations and cooperatives, and general material in the field of agriculture are collected and made available for use.

Information contained in the agricultural literature is disseminated through bibliographies, reference services, loans and photocopies to agricultural colleges and universities, research institutions, Government agencies, agricultural associations, industry, individual scientists, farmers, and the general public in every part of the world.

During 1972, 229,051 separate issues of periodicals were added to the collection by purchase, gift, and exchange. During the same period, 178,634 loans or photocopies of books and periodicals were made and 133,587 inquiries handled.

Object Classification (in thousands of dollars)

Identification code 05-30-0300-0-1-355	1972 actual	1973 est.	1974 est.
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	2,234	2,163	2,124
11.3 Positions other than permanent.....	110	120	120
11.5 Other personnel compensation.....	5	6	6
Total personnel compensation.....	2,349	2,289	2,250
12.1 Personnel benefits: Civilian.....	195	192	188
21.0 Travel and transportation of persons.....	22	16	22
22.0 Transportation of things.....	5	5	5
23.0 Rent, communications, and utilities.....	183	171	171
24.0 Printing and reproduction.....	84	91	91
24.0 Binding.....	51	66	66
25.0 Other services.....	735	839	882
26.0 Supplies and materials.....	44	46	46
31.0 Equipment.....	404	406	406
41.0 Grants, subsidies, and contributions.....	50	100	100
99.0 Total direct obligations.....	4,122	4,221	4,227
Reimbursable obligations:			
11.1 Personnel compensation: Permanent positions.....	87	71	83
12.1 Personnel benefits: Civilian.....	7	6	7
21.0 Travel and transportation of persons.....	6	7	7
22.0 Transportation of things.....	1		

General and special funds—Continued

NATIONAL AGRICULTURAL LIBRARY—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 05-30-0300-0-1-355	1972 actual	1973 est.	1974 est.
23.0 Rent, communications, and utilities.....	1	1	1
24.0 Printing and reproduction.....	47	47	34
25.0 Other services.....	9	14	14
26.0 Supplies and materials.....	8	20	20
31.0 Equipment.....	3	22	22
Total reimbursable obligations.....	122	188	188
99.0 Total obligations.....	4,244	4,409	4,415

Personnel Summary

Total number of permanent positions.....	193	190	176
Full-time equivalent of other positions.....	14	15	15
Average paid employment.....	200	190	186
Average GS grade.....	8.2	7.9	7.9
Average GS salary.....	\$12,463	\$12,346	\$12,642

LIBRARY FACILITIES

Program and Financing (in thousands of dollars)

Identification code 05-30-0301-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Plans and specifications.....			
2. Construction of facilities.....	30	129	
Total program costs, funded.....	30	129	
Change in selected resources ¹	-30	-1	
10 Total obligations.....	-1	128	
Financing:			
21 Unobligated balance available, start of year	-127	-128	
24 Unobligated balance available, end of year	128		
Budget authority.....			
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-1	128	
72 Obligated balance, start of year.....	36	1	
74 Obligated balance, end of year.....	1		
90 Outlays.....	35	129	

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$31 thousand (1972 adjustments, -\$1 thousand); 1972, \$1 thousand; 1973: \$0; 1974, \$0.

Funds for the preparation of plans, specifications, and drawings for new facilities were appropriated in 1964.

Funds were appropriated in 1966 for construction of the new library at Beltsville, Md. The new building was accepted by GSA as "completed" on October 7, 1971.

Object Classification (in thousands of dollars)

Identification code 05-30-0301-0-1-355	1972 actual	1973 est.	1974 est.
NATIONAL AGRICULTURAL LIBRARY			
25.0 Other services.....		2	
ALLOCATION TO GENERAL SERVICES ADMINISTRATION			
24.0 Printing and reproduction.....		1	
25.0 Other services.....		12	

32.0 Lands and structures.....	-1	113	
Total obligations, General Services Administration.....	-1	126	
99.0 Total obligations.....	-1	128	

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocation from other accounts are included in the schedules of the parent appropriations as follows: Office of the Secretary, "Working capital fund."

STATISTICAL REPORTING SERVICE

Federal Funds

General and special funds:

STATISTICAL REPORTING SERVICE

For necessary expenses of the Statistical Reporting Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, \$22,834,200: *Provided*, That no part of the funds herein appropriated shall be available for any expense incident to publishing estimates of apple production for other than the commercial crop: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 411, 411a, 411b, 471, 475, 501, 951, 953, 955-957, 2201, 2202, 2248; 42 U.S.C. 1891-1893; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-33-1800-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
1. Crop and livestock estimates.....	19,605	21,701	21,966
2. Statistical research and service.....	923	866	868
Total direct program.....	20,528	22,567	22,834
Reimbursable program:			
3. Statistical and tabulating services:			
Agriculture.....	3,384	1,608	791
Other agencies.....	1,448	578	482
4. Agency for International Development (funds appropriated to the President).....	202	289	301
Total reimbursable program.....	5,034	2,475	1,574
Total program costs, funded ¹	25,562	25,042	24,408
Change in selected resources ²	453		
10 Total obligations.....	26,015	25,042	24,408
Financing:			
Receipts and reimbursements from:			
11 Federal funds.....	-4,868	-2,324	-1,431
14 Non-Federal sources.....	-166	-151	-143
25 Unobligated balance lapsing.....	98	267	
Budget authority.....	21,080	22,834	22,834
Budget authority:			
40 Appropriation.....	21,088	22,834	22,834
41 Transferred to other accounts.....	-8		
43 Appropriation (adjusted).....	21,080	22,834	22,834

Relation of obligations to outlays:			
71 Obligations incurred, net.....	20,981	22,567	22,834
72 Obligated balance, start of year.....	682	640	774
74 Obligated balance, end of year.....	-640	-774	-988
77 Adjustments in expired accounts.....	21	-----	-----
90 Outlays.....	21,043	22,433	22,620

¹ Includes capital outlay as follows: 1972, \$303 thousand; 1973, \$303 thousand; 1974, \$303 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$660 thousand (1972 adjustments, \$21 thousand); 1972, \$1,134 thousand; 1973, \$1,134 thousand; 1974, \$1,134 thousand.

The Service administers the Department's programs of crop and livestock estimates and statistical research and service. Statistical and economic data developed by the Service on food and agriculture are essential to farmers, processors, and handlers in making production and marketing decisions. It also helps legislators, administrators, and others concerned with developing and administering agricultural programs. Further, data provided by the Service are basic to economic research and analysis and other agricultural research programs.

1. *Crop and livestock estimates.*—The Service provides the official national estimates of acreage, yield, and production of crops; stocks and value of farm commodities; and numbers and inventory value of livestock items. Data on approximately 150 crops and livestock products are covered in some 550 reports issued each year. Data collected and published on prices paid and received by farmers are basic to computation of parity prices.

The work of the Service is conducted through 44 State offices serving the 50 States; most of these offices are operated as joint State and Federal services. Cooperative arrangements with State agencies provide much additional State and county data; Federal funds are not available for collection and publication of these data. During 1972, cooperating States expended an estimated \$3.9 million of their own funds on such associated State programs.

A comparison of activities in 1971 and 1972, including work performed under cooperative arrangements, follows:

	1971 actual	1972 actual
Separate mailings of inquiry forms, average per field office.....	425	414
Total questionnaires handled:		
Number distributed.....	9,221,000	7,550,000
Number of returns tabulated.....	3,687,000	3,457,000
Number of objective survey contacts (measurements and interviews).....	347,000	376,000
Number of official reports issued, all offices.....	10,200	9,800
Copies of reports distributed.....	15,303,000	14,163,000
Copies of publications distributed.....	2,185,000	2,249,000
Special requests for information answered by field offices.....	80,500	78,600

2. *Statistical research and service.*—This work includes review of all statistical forms, survey plans, and reporting and recordkeeping requirements originating in the Department which require Office of Management and Budget approval; liaison within the Department and with other agencies for coordination of statistics; research on and development of sampling, forecasting, and other basic statistical techniques and methods to improve the crop and livestock estimates of the Department; provision of technical consulting services on new or improved statistical techniques to other agencies of the Department; use of and consultation on automatic data processing, to develop and adapt this technology to the improvement of the accuracy and timeliness of crop and livestock estimates; and conduct of special surveys relating to the marketing of agricultural products. A comparison of SRS activities

in the statistical research and service area for 1971 and 1972 is as follows:

	1971 actual	1972 actual
Statistical forms-reports (Federal Reports Act): Departmental clearance and review for submission to Office of Management and Budget.....	515	519
Improvement of crop and livestock estimating methods:		
Number of research projects.....	11	14
Special surveys: Number of research projects.....	8	7

3. *Statistical and tabulating services.*—Activities concerned with the programming and processing of data, formerly done by the Washington Data Processing Center through the Statistical Reporting Service, have, as of October 1, 1972, been transferred to the Office of Information Systems.

Object Classification (in thousands of dollars)

Identification code 05-33-1800-0-1-355	1972 actual	1973 est.	1974 est.
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	11,717	12,010	12,010
11.3 Positions other than permanent.....	1,781	1,762	1,649
11.5 Other personnel compensation.....	474	578	578
Total personnel compensation.....	13,972	14,350	14,237
12.1 Personnel benefits: Civilian.....	1,358	1,379	1,369
21.0 Travel and transportation of persons.....	1,643	1,632	1,767
22.0 Transportation of things.....	142	150	150
23.0 Rent, communications, and utilities.....	1,675	1,728	1,883
24.0 Printing and reproduction.....	440	503	501
25.0 Other services.....	1,003	2,113	2,216
26.0 Supplies and materials.....	349	372	371
31.0 Equipment.....	399	340	340
Total direct obligations.....	20,981	22,567	22,834
Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions.....	2,081	1,076	778
11.3 Positions other than permanent.....	74	93	85
11.5 Other personnel compensation.....	67	27	19
Total personnel compensation.....	2,222	1,196	882
12.1 Personnel benefits: Civilian.....	183	112	85
21.0 Travel and transportation of persons.....	93	147	144
22.0 Transportation of things.....	24	2	2
23.0 Rent, communications, and utilities.....	1,824	442	88
24.0 Printing and reproduction.....	19	12	12
25.0 Other services.....	439	414	292
26.0 Supplies and materials.....	230	84	36
31.0 Equipment.....	-----	66	33
Total reimbursable obligations.....	5,034	2,475	1,574
99.0 Total obligations.....	26,015	25,042	24,408

Personnel Summary

Total number of permanent positions.....	1,233	1,137	1,137
Full-time equivalent of other positions.....	361	360	360
Average paid employment.....	1,528	1,443	1,416
Average GS grade.....	7.6	7.6	7.6
Average GS salary.....	\$11,875	\$11,828	\$11,839

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-33-8200-0-7-355	1972 actual	1973 est.	1974 est.
Program by activities:			
10 Miscellaneous contributed funds (costs—obligations).....	11	17	16

MISCELLANEOUS CONTRIBUTED FUNDS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-33-8200-0-7-355	1972 actual	1973 est.	1974 est.
Financing:			
21 Unobligated balance available, start of year	-1	-1	-----
24 Unobligated balance available, end of year	1	-----	-----
60 Budget authority (appropriation) (permanent, indefinite)-----	11	16	16
Relation of obligations to outlays:			
71 Obligations incurred, net-----	11	17	16
72 Obligated balance, start of year-----	2	2	3
74 Obligated balance, end of year-----	-2	-3	-3
90 Outlays-----	11	16	16

Miscellaneous funds received from State, local organizations, and others are available for crop and livestock survey work under cooperative agreements (7 U.S.C. 450b, 450h).

Object Classification (in thousands of dollars)

Identification code 05-33-8200-0-7-355	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions-----	8	12	11
11.3 Positions other than permanent-----	2	4	4
Total personnel compensation-----	10	16	15
12.1 Personnel benefits: Civilian-----	1	1	1
99.0 Total obligations-----	11	17	16

Personnel Summary

Total number of permanent positions-----	1	1	1
Average paid employment-----	1	1	1
Average GS grade-----	7.6	7.6	7.6
Average GS salary-----	\$11,875	\$11,828	\$11,839

ECONOMIC RESEARCH SERVICE

Federal Funds

General and special funds:

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and other laws, including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, cost and returns in farming, and farm finance; and for analyses of supply and demand for farm products in foreign countries and their effect on prospects for United States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products; \$17,829,000 \$17,766,000 of which not less than \$200,000 shall be available for investigation, determination and finding as to the effect upon the production of food and upon the agricultural economy of any proposed action affecting such subject matter pending before the Administrator of the Environmental Protection Agency for presentation, in the public interest, before said administrator, other agencies or before the courts: *Provided*, That not less than \$350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and consumer:

Provided further, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That not less than \$145,000 of the funds contained in this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis. (7 U.S.C. 411, 1761-1768, 2201, 2202; 42 U.S.C. 1891-1893; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-36-1700-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
1. Farm economics-----	7,622	8,099	8,128
2. Marketing economics-----	3,992	4,157	4,272
3. Domestic and foreign economic analysis-----	4,883	5,233	5,366
Total direct program-----	16,497	17,489	17,766
Reimbursable program:			
1. Farm economics-----	422	901	601
2. Marketing economics-----	210	229	229
3. Domestic and foreign economic analysis-----	358	70	70
4. Agency for International De- velopment-----	625	-----	-----
Total reimbursable program--	1,615	1,200	900
Total program costs, funded ¹ -----	18,112	18,689	18,666
Change in selected resources ² -----	-111	-----	-----
10 Total obligations-----	18,001	18,689	18,666
Financing:			
11 Receipts and reimbursements from: Fed- eral funds-----	-1,615	-1,200	-900
25 Unobligated balance lapsing-----	81	337	-----
Budget authority-----	16,467	17,826	17,766
Budget authority:			
40 Appropriation-----	16,471	17,829	17,766
41 Transferred to other accounts-----	-4	-3	-----
43 Appropriation (adjusted)-----	16,467	17,826	17,766
Relation of obligations to outlays:			
71 Obligations incurred, net-----	16,387	17,489	17,766
72 Obligated balance, start of year-----	1,456	639	677
74 Obligated balance, end of year-----	-639	-677	-689
77 Adjustments in expired accounts-----	27	-----	-----
90 Outlays-----	17,231	17,451	17,754

¹ Includes capital outlay as follows: 1972, \$77 thousand; 1973, \$77 thousand; 1974, \$77 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$461 thousand (1972 adjustments, \$27 thousand); 1973, \$377 thousand; 1974, \$377 thousand.

The Economic Research Service was established by Secretary's Memorandum No. 1446, Supplement No. 1, of April 3, 1961, under Reorganization Plan No. 2 of 1953 and other authorities. The Service develops and carries out a program of economic research designed to provide economic intelligence for the Department of Agriculture and other Federal decisionmakers, farmers, and related industries and the general public. The findings of this research are made available to these users through research reports and through economic outlook and situation reports on major commodities, the national economy, and the international economy. The Service carries out the following major activities:

1. *Farm economics* research consists of a nationwide program of research dealing with the economic problems of agricultural production and resource use. Farm production economics research includes analyses of farm production costs and efficiency, use of capital, labor, and other resources in agriculture, profitable adjustments in farming, and financial problems of farmers. Natural resource economics includes studies of the use and management of land and water resources, including the quality of these resources, resource institutions, and watershed and river basin development problems. Economic development research includes a broad program of economic studies on development of rural areas, employment opportunities for farm and other rural people, and availability and factors affecting the availability of public and private facilities and services necessary to improve the quality of rural life, including local governments and their organization.

2. *Marketing economics* research includes economic analyses and research relating to the marketing of agricultural commodities, the organizational structure, practices, and performance of commodity markets from the farm to the consumer, costs and margins involved in the marketing of agricultural products, farmer's bargaining power, the economics of product quality and grade, market potentials, distribution and merchandising of agricultural products, and the economics of transportation.

The increase requested in fiscal year 1974 will be used to improve the estimates of marketing margins.

3. *Domestic and foreign economic analysis*.—Domestic economic analysis consists of economic and statistical research on agricultural prices, farm income, commodity outlook and situation, supply and consumption of farm products, and agricultural history. Foreign economic analysis includes: Studies of supply and demand and trade in farm products in foreign countries and their effect on prospects for U.S. exports; analysis of farm export programs, progress in economic development and its relationship to sales of farm products, assembly and analysis of agricultural trade statistics; and analysis of international financial monetary programs and policies as they effect the competitive position of U.S. farm products.

The increase requested in fiscal year 1974 will be used to improve estimates of farm income and related statistical series.

The Service functions through a central office in Washington, D.C., and a small field staff at each of 56 locations, principally the land grant colleges and universities throughout the United States. Much of the research is carried on in cooperation with State agricultural experiment stations.

Object Classification (in thousands of dollars)

Identification code 05-36-1700-0-1-355	1972 actual	1973 est.	1974 est.
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	12,300	12,407	12,680
11.3 Positions other than permanent.....	214	214	214
11.5 Other personnel compensation.....	6	6	6
Total personnel compensation.....	12,520	12,627	12,900
12.1 Personnel benefits: Civilian.....	1,126	1,111	1,133
21.0 Travel and transportation of persons.....	341	351	413
22.0 Transportation of things.....	45	37	37
23.0 Rent, communications, and utilities.....	496	522	522
24.0 Printing and reproduction.....	287	312	312
25.0 Other services.....	1,448	2,379	2,299
26.0 Supplies and materials.....	45	62	62
31.0 Equipment.....	80	88	88
Total direct obligations.....	16,387	17,489	17,766

Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions.....	1,271	934	714
11.3 Positions other than permanent.....	62	16	16
11.5 Other personnel compensation.....	13		
Total personnel compensation.....	1,346	950	730
12.1 Personnel benefits: Civilian.....	109	76	58
21.0 Travel and transportation of persons.....	49	39	39
23.0 Rent, communications, and utilities.....	7	6	6
24.0 Printing and reproduction.....	7	6	6
25.0 Other services.....	96	122	60
26.0 Supplies and materials.....	1	1	1
Total reimbursable obligations.....	1,615	1,200	900
99.0 Total obligations.....	18,001	18,689	18,666

Personnel Summary

Total number of permanent positions.....	867	844	832
Full-time equivalent of other positions.....	28	29	28
Average paid employment.....	886	821	826
Average GS grade.....	9.9	9.8	9.8
Average GS salary.....	\$15,124	\$15,135	\$15,214

ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments from other accounts are included in the schedules of the parent appropriations, as follows:

Soil Conservation Service:
 "Watershed planning."
 "Watershed and flood prevention operations."
 "Resource conservation and development."
 "River basin surveys and investigations."
 Farmers Home Administration, "Salaries and expenses."
 Office of the Secretary, "Salaries and expenses."

Intragovernmental funds:

CONSOLIDATED WORKING FUND

Program and Financing (in thousands of dollars)

Identification code 05-36-3936-0-4-152	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Training of foreign participants.....	1,067	964	964
2. Technical consultation and support.....	589	666	666
3. Special projects.....	1,770	1,937	1,600
4. Subsistence, tuition, and training for foreign nationals in United States.....	3,735	4,000	4,000
10 Total obligations.....	7,161	7,567	7,230
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-7,161	-7,567	-7,230
Budget authority.....			
Relation of obligations to outlays:			
71 Obligations incurred, net.....			
72 Receivables in excess of obligations, start of year.....	-572	-514	-514
74 Receivables in excess of obligations, end of year.....	514	514	514
90 Outlays.....	-59		

The Department's responsibilities in the agricultural phases of the U.S. foreign development assistance programs are administered by the Economic Research Service. This includes direction of the Department's activities under agreement with the Agency for International Development (AID), Peace Corps, and other development assistance organizations, particularly agricultural technical assistance and training programs. The Service participates with AID in the planning of agricultural development policy, in formulating technical assistance

CONSOLIDATED WORKING FUND—Continued

Intragovernmental funds—Continued

projects, and in the review and evaluation of agricultural assistance efforts. In performing these functions, the Service works closely with other United States and international organizations to help them utilize the scientific and institutional competence of American agriculture in carrying out development assistance programs. The activity is financed mainly with funds allocated from AID.

Object Classification (in thousands of dollars)

Identification code 05-36-3936-0-4-152	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	1,691	2,106	1,994
11.3 Positions other than permanent.....	157	205	205
11.5 Other personnel compensation.....	22	42	42
Total personnel compensation.....	1,870	2,353	2,241
12.1 Personnel benefits: Civilian.....	152	191	182
21.0 Travel and transportation of persons.....	333	222	189
22.0 Transportation of things.....	20	15	10
23.0 Rent, communications, and utilities.....	41	29	23
24.0 Printing and reproduction.....	44	32	25
25.0 Other services.....	924	695	536
26.0 Supplies and materials.....	17	13	10
31.0 Equipment.....	25	17	14
41.0 Grants, subsidies, and contributions.....	3,735	4,000	4,000
99.0 Total obligations.....	7,161	7,567	7,230

Personnel Summary

Total number of permanent positions.....	120	127	118
Full-time equivalent of other positions.....	9	10	9
Average paid employment.....	112	135	126
Average GS grade.....	9.9	9.8	9.8
Average GS salary.....	\$15,124	\$15,135	\$15,214

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-36-8200-0-7-355	1972 actual	1973 est.	1974 est.
Program by activities:			
10 Miscellaneous contributed funds (costs—obligations).....	26	46	6
Financing:			
21 Unobligated balance available, start of year.....	—3	—3	—3
24 Unobligated balance available, end of year.....	4	3	3
60 Budget authority (appropriation) (permanent, indefinite).....	30	46	6
Relation of obligations to outlays:			
71 Obligations incurred, net.....	26	46	6
72 Obligated balance, start of year.....	1	1	1
74 Obligated balance, end of year.....	—1	—1	—1
90 Outlays.....	26	46	6

Note.—Miscellaneous funds received from States, local organizations, and others are available for economic research and analysis under cooperative agreements (7 U.S.C. 450b and 450h).

Object Classification (in thousands of dollars)

Identification code 05-36-8200-0-7-355	1972 actual	1973 est.	1974 est.
11.1 Personnel compensation: Permanent positions.....	20	39	6

12.1 Personnel benefits: Civilian.....	2	3	-----
21.0 Travel and transportation of persons.....	4	4	-----
99.0 Total obligations.....	26	46	6

Personnel Summary

Average paid employment.....	1	2	0
Average GS grade.....	9.9	9.8	9.8
Average GS salary.....	\$15,124	\$15,135	\$15,214

COMMODITY EXCHANGE AUTHORITY

Federal Funds

General and special funds:

COMMODITY EXCHANGE AUTHORITY

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1-17b), including not to exceed \$20,000 for employment under 5 U.S.C. 3109, \$2,906,000. (*Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-42-1900-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Administration of the Commodity Exchange Act, total program costs, funded ¹	2,860	2,894	2,906
Change in selected resources ²	—147	-----	-----
10 Total obligations.....	2,713	2,894	2,906
Financing:			
25 Unobligated balance lapsing.....	113	12	-----
Budget authority.....	2,826	2,906	2,906
Budget authority:			
40 Appropriation.....	2,843	2,906	2,906
41 Transferred to other accounts.....	—17	-----	-----
43 Appropriation (adjusted).....	2,826	2,906	2,906
Relation of obligations to outlays:			
71 Obligations incurred, net.....	2,713	2,894	2,906
72 Obligated balance, start of year.....	408	214	217
74 Obligated balance, end of year.....	—214	—217	—275
77 Adjustments in expired accounts.....	36	-----	-----
90 Outlays.....	2,943	2,891	2,848

¹ Includes capital outlays as follows: 1972, \$13 thousand; 1973, \$0 thousand; 1974, \$0 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$153 thousand (1972 adjustments, \$36 thousand); 1972, \$42 thousand; 1973, \$42 thousand; 1974, \$42 thousand.

The major objectives of the Commodity Exchange Authority, in the enforcement of the Commodity Exchange Act, are to protect the price and hedging services of the commodity futures markets. These services are widely used by farmers, merchandisers, and processors. To carry out its enforcement objectives, the Commodity Exchange Authority works to maintain fair trading practices and competitive pricing on commodity exchanges, and to prevent price manipulation, cheating, fraud, and abusive acts, and prac-

tices in commodity transactions. Enforcement of the act includes supervision of 20 commodity exchanges designated as contract markets, approximately 275 brokerage firms registered as futures commission merchants, and about 1,300 registered floor brokers operating on the exchanges.

Futures trading in the 20 agricultural commodities regulated under the Commodity Exchange Act continued its upward trend in fiscal year 1972. Volume of trading reached a new record of 12.6 million transactions, up 7% from the previous record of 11.8 million transactions in fiscal year 1971. Value of futures trading, estimated at \$148 billion, was 30% greater than the \$114 billion a year earlier. Soybeans, the most active commodity, reached an alltime record in trading volume. The 3,961 million transactions covered 19.8 billion bushels of soybeans, up 48% from 13.48 billion bushels in the previous year. Frozen pork bellies, one of the consistently high-volume commodities in recent years, ranked second in market activity. Trading of 2,043,384 contracts represented a 34% increase over fiscal year 1971. Trading in live hogs, following the pattern for pork bellies, rose substantially and reached a new trading record of 366,450 contracts. Activity in the live cattle markets also reached a record level and the cotton futures market was the largest in 17 years.

1. *Registration and auditing of brokerage houses.*—This consists of (a) protection of customers' funds through the establishment and enforcement of minimum financial standards for futures commission merchants and periodic audits of their books and records, and (b) annual registration of futures commission merchants and floor brokers.

REGISTRATIONS AND AUDITS

	1972 actual	1973 estimate	1974 estimate
Audit of customers' segregated funds...	188	195	210
Accounts examined.....	63,716	50,000	50,000
Financial statements examined.....	645	450	500
Financial requirements audits.....	68	62	65
Futures commission merchants registered.....	274	260	260
Floor brokers registered.....	1,266	1,300	1,330

2. *Supervision of futures trading.*—This activity develops information and economic evidence for the prevention of price manipulation and market corners, controls excessive speculation by enforcement of limits on trading and positions, detects false and misleading market information affecting prices, and disseminates reports and statistics on trading and special futures market situations.

REPORTS TABULATED AND ANALYZED

	1972 actual	1973 estimate	1974 estimate
Daily trading volume and open contracts.....	203,333	220,000	230,000
Daily and weekly reports of large traders.....	392,140	410,000	430,000
Delivery notices.....	113,438	80,000	85,000

3. *Investigations.*—Apparent or alleged violations of the law and regulations are investigated. The Authority also prepares and presents evidence of violations in administrative hearings and judicial proceedings. Investigations are made to determine whether exchanges are enforcing their trading rules and contract terms as required by the act.

INVESTIGATIONS AND PROCEEDINGS

	1972 actual	1973 estimate	1974 estimate
Compliance investigations completed.....	106	107	111
Criminal prosecutions instituted.....	2	2	1
Administrative proceedings instituted.....	17	13	11

Object Classification (in thousands of dollars)

Identification code	05-42-1900-0-1-355	1972 actual	1973 est.	1974 est.
Personnel compensation:				
11.1 Permanent positions.....		2,062	2,155	2,172
11.3 Positions other than permanent.....		30	32	32
11.5 Other personnel compensation.....		28	29	29
Total personnel compensation.....		2,120	2,216	2,233
12.1 Personnel benefits: Civilian.....		177	189	190
21.0 Travel and transportation of persons.....		96	88	100
22.0 Transportation of things.....		1	1	1
23.0 Rent, communications, and utilities.....		172	182	182
24.0 Printing and reproduction.....		22	33	33
25.0 Other services.....		95	151	133
26.0 Supplies and materials.....		20	27	27
31.0 Equipment.....		10	7	7
99.0 Total obligations.....		2,713	2,894	2,906

Personnel Summary

Total number of permanent positions.....	173	171	168
Full-time equivalent of other positions.....	6	6	6
Average paid employment.....	169	169	169
Average GS grade.....	8.1	8.1	8.1
Average GS salary.....	\$12,829	\$12,966	\$13,085

PACKERS AND STOCKYARDS ADMINISTRATION

Federal Funds

General and special funds:

PACKERS AND STOCKYARDS ADMINISTRATION

For expenses necessary for administration of the Packers and Stockyards Act, as authorized by law, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for employment under 5 U.S.C. 3109, [\$4,062,650] \$4,054,650. (7 U.S.C. 181-229; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code	05-45-2600-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:				
Direct program:				
Administration of the Packers and Stockyards Act.....		3,860	4,012	4,055
Reimbursable program:				
Administration of the Packers and Stockyards Act.....			2	2
Total program costs, funded ¹		3,860	4,014	4,057
Change in selected resources ²		4		
10 Total obligations.....		3,864	4,014	4,057
Financing:				
11 Receipts and reimbursements from: Federal funds.....			-2	-2
25 Unobligated balance lapsing.....		142	43	
Budget authority.....		4,006	4,055	4,055
Budget authority:				
40 Appropriation.....		4,006	4,063	4,055
41 Transferred to other accounts.....			-8	
43 Appropriation (adjusted).....		4,006	4,055	4,055

¹ Includes capital outlay as follows: 1972, \$11 thousand; 1973, \$13 thousand; 1974, \$13 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$29 thousand (1972 adjustments, -\$9 thousand); 1972, \$24 thousand; 1973, \$24 thousand; 1974, \$24 thousand.

General and special funds—Continued

PACKERS AND STOCKYARDS ADMINISTRATION—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-45-2600-0-1-355	1972 actual	1973 est.	1974 est.
Relation of obligations to outlays:			
71 Obligations incurred, net.....	3,864	4,012	4,055
72 Obligated balance, start of year.....	255	178	291
74 Obligated balance, end of year.....	-178	-291	-407
77 Adjustments in expired accounts.....	-9		
90 Outlays.....	3,933	3,899	3,939

The program is aimed at assuring fair play in the marketing of livestock, meat, and poultry. Its principal purpose is to maintain effective competition for livestock, meats, and poultry, so as to bring to farmers and ranchers the true market value of their livestock and poultry. Members of the livestock, poultry, and meat industries are also protected against unfair business practices in the marketing of meats and poultry, and from restrictions on competition which could unduly increase meat and poultry prices.

No increase is requested for fiscal year 1974.

The volume of work performed is indicated by the following examples:

	1972 actual	1973 estimate	1974 estimate
Number of investigations and audits....	3,495	3,500	3,500
Formal proceedings disposed of.....	236	245	245

Object Classification (in thousands of dollars)

Identification code 05-45-2600-0-1-355	1972 actual	1973 est.	1974 est.
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	2,996	3,109	3,105
11.3 Positions other than permanent.....	16	17	17
11.5 Other personnel compensation.....	1	1	1
Total personnel compensation.....	3,013	3,127	3,123
12.1 Personnel benefits: Civilian.....	276	291	292
21.0 Travel and transportation of persons.....	258	247	290
22.0 Transportation of things.....	12	16	17
23.0 Rent, communications, and utilities.....	161	160	164
24.0 Printing and reproduction.....	25	30	30
25.0 Other services.....	86	100	94
26.0 Supplies and materials.....	22	25	27
31.0 Equipment.....	11	16	18
Total direct obligations.....	3,864	4,012	4,055
Reimbursable obligations:			
31.0 Equipment.....		2	2
99.0 Total obligations.....	3,864	4,014	4,057

Personnel Summary

Total number of permanent positions.....	212	209	200
Full-time equivalent of other positions.....	4	4	4
Average paid employment.....	200	200	199
Average GS grade.....	9.7	9.5	9.4
Average GS salary.....	\$15,232	\$15,313	\$15,617

FARMER COOPERATIVE SERVICE

Federal Funds

General and special funds:

FARMER COOPERATIVE SERVICE

For necessary expenses to carry out the Act of July 2, 1926 (7 U.S.C. 451-457), and for conducting research relating to the

economic and marketing aspects of farmer cooperatives, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), [\$2,055,000] \$1,955,000. (Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-48-0400-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
Research and technical assistance for agricultural cooperatives.....	1,938	1,940	1,955
Reimbursable program:			
Research and technical assistance for agricultural cooperatives.....	157	120	100
Total program costs, funded ¹	2,095	2,060	2,055
Change in selected resources ²	-35		
10 Total obligations.....	2,060	2,060	2,055
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-157	-120	-100
25 Unobligated balance lapsing.....	6	115	
40 Budget authority (appropriation)....	1,909	2,055	1,955
Relation of obligations to outlays:			
71 Obligations incurred, net.....	1,903	1,940	1,955
72 Obligated balance, start of year.....	214	176	161
74 Obligated balance, end of year.....	-176	-161	-165
77 Adjustments in expired accounts.....	3		
90 Outlays.....	1,944	1,955	1,951

¹ Includes capital outlay as follows: 1972, \$3 thousand; 1973, \$3 thousand; 1974, \$3 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$137 thousand (1972 adjustments, \$2 thousand); 1972, \$104 thousand; 1973, \$104 thousand; 1974, \$104 thousand.

Farmer Cooperative Service conducts research, advises directly with cooperative leaders and others, promotes cooperative organization and development through other Federal and State agencies, and publishes reports, "News for Farmer Cooperatives," and other educational material. This work is aimed (1) to help farmers get better prices for their products and reduce operating expenses, (2) to help rural and small-town residents use cooperatives to develop rural resources, and (3) to help all Americans understand the work of these cooperatives.

Object Classification (in thousands of dollars)

Identification code 05-48-0400-0-1-355	1972 actual	1973 est.	1974 est.
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	1,388	1,456	1,456
11.3 Positions other than permanent.....	28	30	30
11.5 Other personnel compensation.....	18	18	18
Total personnel compensation.....	1,434	1,504	1,504
12.1 Personnel benefits: Civilian.....	117	122	122
21.0 Travel and transportation of persons.....	79	80	95
22.0 Transportation of things.....	1	1	1
23.0 Rent, communications, and utilities.....	64	60	60
24.0 Printing and reproduction.....	56	66	66
25.0 Other services.....	145	97	97
26.0 Supplies and materials.....	5	6	6
31.0 Equipment.....	2	4	4
Total direct obligations.....	1,903	1,940	1,955
Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions.....	57	101	88
11.3 Positions other than permanent.....	81		
11.5 Other personnel compensation.....	6	4	3
Total personnel compensation.....	144	105	91

12.1	Personnel benefits: Civilian.....	11	9	7
21.0	Travel and transportation of persons.....	-----	2	1
22.0	Transportation of things.....	1	1	-----
25.0	Other services.....	1	3	1
	Total reimbursable obligations.....	157	120	100
99.0	Total obligations.....	2,060	2,060	2,055

Personnel Summary

Total number of permanent positions.....	94	94	94
Full-time equivalent of other positions.....	6	4	4
Average paid employment.....	86	87	86
Average GS grade.....	10.2	10.2	10.2
Average GS salary.....	\$16,753	\$17,231	\$17,648

Trust Funds**MISCELLANEOUS CONTRIBUTED FUNDS****Program and Financing (in thousands of dollars)**

Identification code 05-48-8200-0-7-355	1972 actual	1973 est.	1974 est.
Program by activities:			
10 Miscellaneous contributed funds (costs—obligations).....	71	130	115
Financing:			
21 Unobligated balance available, start of year.....	-35	-15	-----
24 Unobligated balance available, end of year.....	15	-----	-----
60 Budget authority (appropriation) (permanent, indefinite).....	51	115	115
Relation of obligations to outlays:			
71 Obligations incurred, net.....	71	130	115
72 Obligated balance, start of year.....	1	3	7
74 Obligated balance, end of year.....	-3	-7	-12
90 Outlays.....	69	126	110

Note.—Miscellaneous funds received from States, local organizations, and others are available for work under cooperative agreements (7 U.S.C. 450b, 450h).

Object Classification (in thousands of dollars)

Identification code 05-48-8200-0-7-355	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	25	26	27
11.3 Positions other than permanent.....	18	20	20
Total personnel compensation.....	43	46	47
12.1 Personnel benefits: Civilian.....	4	4	4
21.0 Travel and transportation of persons.....	20	68	55
22.0 Transportation of things.....	1	2	1
23.0 Rent, communications, and utilities.....	3	4	5
25.0 Other services.....	-----	4	2
26.0 Supplies and materials.....	-----	2	1
44.0 Refunds.....	1	-----	-----
99.0 Total obligations.....	71	130	115

Personnel Summary

Total number of permanent positions.....	1	1	1
Full-time equivalent of other positions.....	1	1	1
Average paid employment.....	2	2	2
Average GS grade.....	10.2	10.2	10.2
Average GS salary.....	\$16,753	\$17,231	\$17,648

FOREIGN AGRICULTURAL SERVICE**Federal Funds****General and special funds:****FOREIGN AGRICULTURAL SERVICE**

For necessary expenses for the Foreign Agriculture Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$35,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$25,805,000: *Provided*, That not less than \$255,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That, in addition, not to exceed \$3,117,000 of the funds appropriated by section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c), shall be merged with this appropriation and shall be available for all expenses of the Foreign Agricultural Service. (7 U.S.C. 2201, 2202; *Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-51-2900-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
1. International trade.....	1,018	929	929
2. Agricultural attachés.....	6,035	6,201	6,201
3. Market development.....	17,428	18,133	18,250
4. Commodity programs.....	3,719	3,763	3,763
Total, direct program.....	28,200	29,026	29,143
Reimbursable program:			
1. International trade.....	2	2	2
2. Agricultural attachés.....	40	26	26
3. Market development.....	67	80	80
4. Commodity programs.....	15	19	19
Total, reimbursable program.....	124	127	127
Total program costs, funded ¹.....	28,324	29,153	29,270
Change in selected resources ².....	170	-221	-221
10 Total obligations.....	28,494	28,932	29,049
Financing:			
Receipts and reimbursements from:			
11 Federal funds.....	-106	-127	-127
14 Non-Federal funds.....	-18	-----	-----
25 Unobligated balance lapsing.....	283	117	-----
Budget authority.....	28,653	28,922	28,922
Budget authority:			
Current:			
40 Appropriation.....	25,536	25,805	25,805
Permanent:			
62 Transferred from other accounts.....	3,117	3,117	3,117
63 Appropriation (adjusted).....	3,117	3,117	3,117
Relation of obligations to outlays:			
71 Obligations incurred, net.....	28,370	28,805	28,922
72 Obligated balance, start of year.....	23,967	23,408	23,221
74 Obligated balance, end of year.....	-23,408	-23,221	-23,034
77 Adjustments in expired accounts.....	-1,163	-----	-----
90 Outlays.....	27,766	28,992	29,109

¹ Includes capital outlay as follows: 1972, \$85 thousand; 1973, \$85 thousand; 1974, \$85 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$17,254 thousand (1972 adjustment, -\$1,155 thousand); 1972, \$16,269 thousand; 1973, \$16,048 thousand; 1974, \$15,827 thousand.

General and special funds—Continued

FOREIGN AGRICULTURAL SERVICE—Continued

The Foreign Agricultural Service helps American agriculture to maintain and expand foreign markets for its products and reports foreign developments as a guide to American agricultural production, policies, and programs.

(A) The Service helps to develop foreign markets for U.S. farm products through effective market promotion under special export programs and through continuous efforts to remove international trade barriers that inhibit export sales.

(B) The Service maintains a worldwide agricultural intelligence and reporting service that enables American agriculture to carry out its production, policies, and programs in the context of world developments. Pertinent agricultural and economic data of foreign production and markets, and information on foreign agricultural policies are continuously analyzed and reported.

1. *International trade.*—The Service directs and coordinates Department responsibilities in international trade agreement programs and negotiations, under the authority of the Trade Expansion Act. It identifies and strives to reduce foreign trade barriers to U.S. agricultural exports. Developments in foreign trade policies are examined and their effect on agricultural trade and operations are reported with recommendations as to courses of action.

The Service recommends Department positions and participates in negotiations on trade agreements and international commodity agreements. It reviews and reports trade regulations of countries (primarily those signatory to the General Agreement on Tariffs and Trade) as to how such regulations affect the movement of U.S. farm products in world trade.

The Service administers a program of import controls, in accordance with section 22 of the Agricultural Adjustment Act, on foreign farm products which would render ineffective or materially interfere with Department programs relating to agricultural commodities. It is also responsible for administering import controls established under the 1964 Meat Import Act and section 204 of the Trade Expansion Act.

2. *Agricultural attachés.*—The Service maintains agricultural attachés at 62 foreign posts to assist in the development of markets abroad for U.S. agricultural commodities. They work closely with numerous U.S. agricultural trade groups and maintain contacts with foreign governments to promote greater market accessibility for U.S. farm products. They carry out a comprehensive schedule of reporting foreign agricultural production, marketing, and trade policy developments to keep U.S. agriculture, industry, and Government currently informed.

3. *Market development.*—The Service administers programs concerned with the development of foreign markets for agricultural products of the United States, and coordinates interagency participation and action essential to administration of these programs. These functions involve: (a) Developing a system of worldwide promotional programs, on a commodity-by-commodity basis, in cooperation with national organizations of producers, processors, and exporters, and providing overall guidance to these organizations in carrying out cooperative programs; (b) developing, operating, and evaluating a worldwide system of multicommodity promotional programs utilizing trade fairs, trade centers and point-of-purchase campaigns to

expand overseas markets; (c) reviewing foreign marketing plans; providing technical assistance in their design; developing procedures and controlling budgets and funds essential to their implementation; and evaluating programs implemented; (d) cooperating with State and local organizations in programs designed to provide technical assistance to U.S. agricultural export firms and to stimulate participation of new U.S. "cooperator" groups in promotional projects; (e) developing and guiding a systematic review of foreign markets on a country-by-country basis to find new market opportunities for U.S. agricultural products and to develop long-range promotional plans for such markets; and (f) exploring new methods and techniques to stimulate the flow of U.S. farm products into overseas markets.

4. *Commodity programs.*—Information essential to domestic planning and to foreign marketing of specific U.S. farm commodities is obtained, analyzed, and made available to U.S. farm and trade groups and to Government. Foreign agricultural competition is analyzed and reported. Marketing programs, in which producers, exporters, and Government officials participate, are developed to maintain and expand the foreign market for U.S. farm products. Assistance is given to U.S. trade representatives in negotiations with foreign officials. Assistance is given to American exporters and foreign importers to bring them together under conditions favorable to trade.

Object Classification (in thousands of dollars)

Identification code 05-51-2900-0-1-355	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions	10,519	10,500	10,615
11.3 Positions other than permanent	68	77	77
11.5 Other personnel compensation	204	170	170
Total personnel compensation	10,791	10,747	10,862
12.1 Personnel benefits: Civilian	1,087	1,069	1,089
21.0 Travel and transportation of persons	797	584	811
22.0 Transportation of things	258	263	265
23.0 Rent, communications, and utilities	750	672	722
24.0 Printing and reproduction	236	227	230
25.0 Other services	14,359	15,090	14,788
26.0 Supplies and materials	108	137	138
31.0 Equipment	96	132	133
42.0 Insurance claims and indemnities	12	11	11
99.0 Total obligations	28,494	28,932	29,049

Personnel Summary

Total number of permanent positions	729	727	727
Full-time equivalent of other positions	19	19	19
Average paid employment	708	686	674
Average GS grade	10.2	10.3	10.4
Average GS salary	\$16,761	\$16,929	\$17,098
Average salary of ungraded positions	\$6,949	\$7,755	\$8,584

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

Program and Financing (in thousands of dollar equivalents)

Identification code 05-51-2901-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Market development projects (program costs, funded)	759	750	750
Change in selected resources ¹	9	250	250
10 Total obligations	768	1,000	1,000

Financing:				
21	Unobligated balance available, start of year	—4,008	—3,240	—2,240
24	Unobligated balance available, end of year	3,240	2,240	1,240
Budget authority -----		-----	-----	-----
<hr/>				
Relation of obligations to outlays:				
71	Obligations incurred, net-----	768	1,000	1,000
72	Obligated balance, start of year-----	1,578	1,552	1,552
74	Obligated balance, end of year-----	—1,552	—1,552	—1,552
		<hr/>	<hr/>	<hr/>
90	Outlays-----	794	1,000	1,000

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$1,268 thousand; 1972, \$1,277 thousand; 1973, \$1,527 thousand; 1974, \$1,777 thousand.

Market development projects.—Foreign currencies generated by the sale of agricultural commodities under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, as well as foreign currencies acquired by the United States from other sources, are used by the Foreign Agricultural Service to develop new foreign markets and expand existing markets for U.S. agricultural commodities, including cotton, dairy products, fats and oils, grain, feed, livestock and meat, poultry, fruits and vegetables, and tobacco.

The type of market development projects being carried out include sales promotion campaigns, trade fairs and exhibits, nutrition demonstrations, and market analyses. In 1974 it is planned that the unobligated balance brought forward in this appropriation will be used to purchase those currencies necessary to carry on the program. Dollar funds for use in other countries are included in the appropriation Foreign agricultural service.

Object Classification (in thousands of dollars)

Identification code 05-51-2901-0-1-355	1972 actual	1973 est.	1974 est.
11.1 Personnel compensation: Permanent positions	79	87	87
12.1 Personnel benefits: Civilian	5	6	6
21.0 Travel and transportation of persons	6	7	7
22.0 Transportation of things	1	2	2
24.0 Printing and reproduction	1	2	2
25.0 Other services	676	896	896
99.0 Total obligations	768	1,000	1,000

Personnel Summary

Total number of permanent positions	21	21	21
Average paid employment	17	19	19
Average salary of ungraded positions	\$6,949	\$7,755	\$8,584

FOREIGN ASSISTANCE PROGRAMS AND SPECIAL EXPORT PROGRAMS

Facilities and funds of the Commodity Credit Corporation may by law be used in carrying out programs for exporting agricultural commodities. The laws also authorize appropriations to be made to cover costs of such programs. When funds become available, advances are made to the Corporation for estimated costs. If the amounts appropriated are greater than actual needs, the excess is used to reduce future appropriation requests. If appropriations are less than actual needs, other Corporation funds may be used temporarily to finance the balance of authorized costs.

FOREIGN ASSISTANCE PROGRAMS

Included in this category are the following activities carried out under the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, 83d Congress, as amended: Sale of agricultural commodities for foreign currencies (title I); sale of agricultural commodities for dollars on credit terms (title I); and commodities supplied in connection with dispositions abroad (title II).

Federal Funds

General and special funds:

PUBLIC LAW 480

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1701-1710, 1721-1725, 1731-1736d), to remain available until expended, as follows: (1) sale of agricultural commodities for foreign currencies and for dollars on credit terms pursuant to title I of said Act, [\$371,375,000] \$289,051,000; and (2) commodities supplied in connection with dispositions abroad, pursuant to title II of said Act, [\$523,625,000] \$364,587,000. (*Agriculture-Environmental and Consumer Protection Appropriation Act, 1973; additional authorizing legislation to be proposed for \$200,000,000.*)

Program and Financing (in thousands of dollars)

Identification code 05-57-2274-0-1-154	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Sale of agricultural commodities for foreign currencies and for dollars on credit terms (title I)	769,904	855,900	853,300
2. Commodities supplied in connection with dispositions abroad (title II)	524,387	398,000	266,200
Total program costs, funded	1,294,291	1,253,900	1,119,500
Changes in costs financed by balance in CCC and by receipts	26,109	-358,900	-465,862
10 Total obligations (object class 25.0)	1,320,400	895,000	653,638
Financing:			
40 Budget authority (appropriation)	1,320,400	895,000	653,638
Relation of obligations to outlays:			
71 Obligations incurred, net	1,320,400	895,000	653,638
90 Outlays	1,320,400	895,000	653,638

1. *Sale of agricultural commodities for foreign currencies and for dollars on credit terms* are made under title I of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), as amended (7 U.S.C. 1701-1710).

The Corporation finances all sales made pursuant to agreements concluded under title I. Sales are made to friendly countries—as defined in section 103(d) of the act—and must not displace expected commercial sales for cash dollars (secs. 103 (c) and (n)).

No agreements may be entered into after December 31, 1973 (sec. 409), and agreements may not be made under title I in any calendar year which call for an appropriation to reimburse the Corporation in excess of \$1.9 billion, plus unused prior years' authorizations.

Whenever practicable, terms of agreements must require payment at time of delivery of not less than 5% of the purchase price in dollars or in currencies convertible to dollars. These initial payments are applied against costs to reduce appropriation requests. On credit agreements under title I, the President is authorized to require pay-

General and special funds—Continued

PUBLIC LAW 480—Continued

ment upon delivery in dollars or foreign currencies of amounts needed for payment of U.S. obligations and certain other purposes.

The act provides for a progressive shift from foreign currency sales to dollar credit sales, to be completed by December 31, 1971. To the extent that transition from foreign currency sales to dollar credit sales is not possible, transition to convertible foreign currency credit sales is authorized on terms which permit conversion to dollars at the exchange rate applicable to the sales agreement. The 1973 program costs for foreign currency sales represent final shipments under sales agreements signed on or before December 31, 1971.

Factors determining availability of commodities for disposition under Public Law 480 are productive capacity, domestic requirements, farm and consumer price levels, anticipated commercial exports, and adequate carryover. No commodity is available for disposition if the disposition thereof would reduce the domestic supply below that needed to meet domestic requirements, adequate carryover, and anticipated exports for dollars.

The Corporation may finance only the differential between U.S.-flag rates and world rates for the cost of ocean freight.

(a) *Sales of agricultural commodities for foreign currencies (title I).*—Sales of agricultural commodities for foreign currencies were made to countries unable to expand commercial purchases because of a lack of dollar exchange. Foreign currencies received in payment are deposited to the account of the U.S. Treasury and can be used only as stated in section 104. The dollar value of such deposits through June 30, 1972, amounted to \$12.9 billion.

Uses fall into two groups—those of benefit to the foreign country, mainly loans and grants to promote economic development and to support common defense, and those of benefit to the United States. The latter includes, among others, expenses of the U.S. Government abroad, agricultural market development, educational exchange, construction of military family housing, and sales of foreign currency to U.S. citizens and tourists.

Certain uses of foreign currencies including foreign currency loan repayments for U.S. uses, and certain foreign currency grants, are subject to the appropriation process. Sales agreements specify particular uses, and in those entered into after December 31, 1964, at least 20% of the foreign currencies are required to be subject to the appropriation process, with certain exceptions. Such uses reduce dollar outflow and the deficit in the balance of payments of the United States. The Corporation is reimbursed for the dollar value of currencies so used. Proceeds from sales of foreign currencies and from dollar repayments of foreign currency loans are applied as a reduction in appropriation requests.

Section 509 of Public Law 86-500, approved June 8, 1960 (7 U.S.C. 1704b note) provides that at least 75% of the total cost of foreign military housing projects (unless otherwise specified) shall be paid from foreign currencies acquired under title I. Pursuant to 10 U.S.C. 2681(b), as amended, the estimate reflects transfer to the Corporation of \$6 million each year to liquidate amounts due. Of this amount, \$2 million will be applied to the French housing barter transaction discussed under the Corporation's special activities and the remaining \$4 million will be applied against other amounts due, with a

balance of \$27 million remaining unpaid as of June 30, 1974.

From inception through June 30, 1972, sales agreements have been signed with 55 countries. They cover sales of commodities at an export market value of over \$13 billion. Major items are wheat, cotton, fats and oils, rice, and feed grains.

The following table reflects costs incurred (in thousands of dollars):

SALES FOR FOREIGN CURRENCIES			
<i>Fiscal year</i>	<i>Program expenditures</i>	<i>Interest</i>	<i>Total</i>
1955 to 1970	17,362,407	247,191	17,609,598
1971	225,251		225,251
1972	155,002		155,002
1973 (estimate)	6,812		6,812
1974 (estimate)			
Cumulative totals	17,749,472	247,191	17,996,663
Deduct sales of currencies, loan repayments, and receipts from Department of Defense			3,126,712
Net costs (foreign currency sales)			14,869,951
Long-term credit sales financed from this appropriation			646,417
Total net costs financed from this appropriation			15,516,368
Appropriations through June 30, 1974			15,489,104
Unreimbursed costs, through June 30, 1974, representing amounts due from Department of Defense (financed by CCC borrowing authority)			27,264

(b) *Sales of agricultural commodities for dollars or convertible foreign currencies on credit terms (title I).*—Sales of U.S. agricultural commodities under long-term dollar credit terms are also authorized.

Agreements are made with friendly countries or with United States and foreign private trade. They may provide for delivery in annual installments for not more than 10 years from the date of the agreement subject to the availability of the commodity.

Payments are in dollars with interest at rates not less than the minimum required by section 201 of the Foreign Assistance Act of 1961, as amended, for loans made under that section. Payments are made in reasonable annual amounts over periods of not to exceed 20 years from the date of last delivery in each calendar year under the agreement, except that the first annual payment may be deferred for a period of not more than 2 years after such date of last delivery. Interest is computed from the date of such last delivery. As payments are received each year, they are applied against current costs to reduce the appropriation request. Private trade agreements must provide for projects to establish improved storage or marketing facilities or otherwise encourage private economic enterprise in friendly countries.

Credit terms for convertible foreign currency credit sales are to be no less favorable to the United States than those for development loans made under section 201 of the Foreign Assistance Act of 1961, as amended, which authorized loans to be made on the basis of payment in 40 years with a 10-year grace period. Dollar payments, when received, will also be applied to reduce appropriation requests.

Total agreements made since inception to June 30, 1972, amount to \$3,465.1 million cost value, including ocean freight for shipment on U.S. ships. Major commodities are wheat, cotton, oils, rice, and feed grains. Payments for the period amount to \$484.3 million, of which \$327.1 million was applied to principal and \$157.2 million to interest.

The following table reflects costs incurred (in thousands of dollars):

SALES FOR DOLLARS ON CREDIT TERMS

<i>Fiscal year</i>	<i>Program expenditures</i>	<i>Interest</i>	<i>Total</i>
1962 to 1970.....	2,283,045	4,102	2,287,147
1971.....	625,853	-----	625,853
1972.....	614,902	-----	614,902
1973 (estimate).....	849,088	-----	849,088
1974 (estimate).....	853,300	-----	853,300
Cumulative totals.....	5,226,188	4,102	5,230,290
Deduct recoveries from foreign governments.....	-----	-----	808,267
Total costs.....	-----	-----	4,422,023
Foreign currency funds applied to long-term credit costs.....	-----	-----	-646,417
Appropriations through June 30, 1974.....	-----	-----	3,775,606
Amounts due from foreign governments June 30, 1974, to be applied against costs as collected and reduce subsequent appropriations.....	-----	-----	4,063,116

The following table reflects the composition of the combined appropriations (in thousands of dollars):

<i>Item</i>	<i>1972 actual</i>	<i>1973 estimate</i>	<i>1974 estimate</i>
Expenses of shipments:			
Commodity costs:			
Foreign currency.....	144,303	5,488	-----
Long-term credit.....	552,959	787,412	802,800
Total commodity costs.....	697,262	792,900	802,800
Ocean transportation:			
Foreign currency.....	10,699	1,324	-----
Long-term credit.....	61,943	61,676	50,500
Total ocean transportation.....	72,642	63,000	50,500
Total foreign currency.....	155,002	6,812	-----
Total long-term credit.....	614,902	849,088	853,300
Total, expenses of shipments.....	769,904	855,900	853,300
Deduct receipts:			
Proceeds from sales and use of currencies and loan repayments (foreign currency).....	-200,988	-246,500	-189,600
Payments from foreign governments including interest, applied to reduce appropriation (long-term credit).....	-100,103	-160,300	-163,700
Total foreign currency.....	-45,986	-239,688	-189,600
Total long-term credit.....	514,799	688,788	689,600
Total.....	468,813	449,100	500,000
Prior years' costs or funds brought or carried forward:			
1971 costs: Long-term credit.....	109,078	-----	-----
1972 funds: Long-term credit.....	288,674	-288,674	-----
1973 funds: Long-term credit.....	-----	210,949	-210,949
Foreign currency funds applied to long-term credit costs:			
Foreign currency.....	45,986	239,688	189,600
Long-term credit.....	-45,986	-239,688	-189,600
Appropriation or estimate:			
Long-term credit.....	866,565	371,375	289,051
Total.....	866,565	371,375	289,051

2. *Commodities supplied in connection with dispositions abroad (title II).*—Available agricultural commodities are furnished to meet famine or other urgent or emergency relief needs. Also, commodities are furnished to promote economic and community development in friendly developing countries, to combat malnutrition, and for needy

people, and nonprofit school lunch and preschool feeding programs. They are furnished through friendly governments and private or public agencies, including intergovernmental organizations such as the World Food program. The Food for Peace Act, in amending title II, expressed the sense of Congress that other advanced nations should be encouraged to make increased contributions for the purpose of combating world hunger and malnutrition, and that to achieve this objective, the United States should work to expand the United Nations' World Food program.

The Agency for International Development is responsible for administering title II programs. However, the Corporation makes available the commodities or products requested for disposition under title II. Such commodities or products are made available from the Corporation's stocks of commodities or products acquired under its support program or are purchased at market prices when this is determined to be in the best interest of the Government.

The Corporation is authorized to pay, with respect to commodities made available, the costs of acquisitions, packaging, processing, enrichment, preservation, fortification, transportation, handling, and other incidental costs incurred up to the time of delivery to U.S. ports and ocean freight charges and general average contributions arising out of ocean transport.

Approximately \$7½ million each year may be used to buy foreign currencies accruing under title I of this act to meet costs (other than personnel and administrative costs of cooperating sponsors, distributing agencies, and recipient agencies) directed to community and other self-help activities designed to alleviate the causes for the need for such aid.

Through December 31, 1972, appropriations totaling \$6,700 million were authorized. No programs of assistance can be entered into after December 31, 1973, and none shall be undertaken under this title during any calendar year which call for an appropriation of more than \$600 million to reimburse the Corporation for costs incurred, including its investment, plus any amount by which programs of assistance undertaken under this title in the preceding calendar year have called or will call for appropriations in amounts less than authorized during the preceding year. Any incidental sales proceeds and proceeds from loss, damage, and other claims are applied against Commodity Credit Corporation costs to reflect a reduction in appropriation requests.

The following reflects the composition of the appropriations (in thousands of dollars):

<i>Item</i>	<i>ABROAD</i>	<i>1972 actual</i>	<i>1973 est.</i>	<i>1974 est.</i>
Expenses of shipments:				
Commodity Credit Corporation stocks and other costs in connection with commodities supplied.....		403,519	294,500	198,000
Ocean transportation.....		117,867	99,500	67,200
Total expenses of shipments.....		521,386	394,000	265,200
Purchase of foreign currencies for use in self-help activities.....		3,001	4,000	1,000
Total program costs.....		524,387	398,000	266,200
Prior year costs or funds brought or carried forward:				
1971 costs.....		153,460	-----	-----
1972 costs.....		-224,012	224,012	-----
1973 costs.....		-----	-98,387	98,387
Appropriation or estimate.....		453,835	523,625	364,587

General and special funds—Continued

PUBLIC LAW 480—Continued

The following reflects the costs incurred (in thousands of dollars):

Fiscal year	Program expenditures	Interest	Total
1955 to 1970	3,250,209	19,699	3,269,908
1971	395,655	-----	395,655
1972	524,387	-----	524,387
1973 (estimate)	398,000	-----	398,000
1974 (estimate)	266,200	-----	266,200
Cumulative totals	4,834,451	19,699	4,854,150
Appropriations through June 30, 1974	-----	-----	4,854,150

SPECIAL EXPORT PROGRAM

In addition to the foreign assistance programs described, the Commodity Credit Corporation conducted a special export program for bartered materials for the supplemental stockpile (7 U.S.C. 1856). This program was closed out in 1971. Barter activities are now limited to barter for offshore procurement for other Government agencies on a reimbursable basis.

AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); Sugar Act of 1948, as amended (7 U.S.C. 1101-1161); sections 7 to 15, 16(a), 16(d), 16(e), 16(f), 16(i), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g-590q); subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816); the Water Bank Act (16 U.S.C. 1301-1311); and laws pertaining to the Commodity Credit Corporation, **[\$169,235,000]** **\$152,000,000**: *Provided*, That, in addition, not to exceed **[\$78,346,000]** **\$82,027,000** may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund (including not to exceed **[\$33,248,000]** **\$34,929,000** under the limitation on Commodity Credit Corporation administrative expenses): *Provided further*, That other funds made available to the Agricultural Stabilization and Conservation Service for authorized activities may be advanced to and merged with this appropriation: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That no part of the funds appropriated or made available under this Act shall be used (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than advisory and supervisory duties and delegated program functions prescribed in administrative regulations. (7 U.S.C. 442-445, 447-449, 608c, 624, 1282, 1421-1433, 1441-1449, 1641-1642, 1691-1697, 1701-1709, 1721-1724, 1731-1736, 1741-1747, 1781-1787, 1838, 1851-1854, 1856-1857, 1859; 15 U.S.C. 712a, 713a-10, 713a-13, 714-714p; 22 U.S.C. 1922; 31 U.S.C. 841, 846-852, 866-868; 40 U.S.C. App. A203, A401-5; 50 U.S.C. App. 1917; 71 Stat. 290; 76 Stat. 218; 80 Stat. 131; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-60-3300-0-1-351	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Program formulation and appraisal	4,106	3,976	3,998
2. Operation of supply adjustment, conservation, and support programs	218,185	221,969	206,654
3. Inventory management and merchandising	33,028	32,051	32,247
Total program costs, funded ¹	255,319	257,996	242,899
Change in selected resources ²	570	-----	-----
10 Total obligations	255,889	257,996	242,899
Financing:			
Receipts and reimbursements from:			
11 Federal funds:			
Commodity Credit Corporation fund	-77,256	-74,945	-79,083
Other	-6,871	-6,466	-6,466
13 Trust fund accounts	-3	-----	-----
14 Non Federal sources	-6,723	-7,350	-5,350
25 Unobligated balance lapsing	4	-----	-----
Budget authority	165,039	169,235	152,000
Budget authority:			
40 Appropriation	165,086	169,235	152,000
41 Transferred to other accounts	-1,061	-----	-----
42 Transferred from other accounts	1,014	-----	-----
43 Appropriation (adjusted)	165,039	169,235	152,000
Relation of obligations to outlays:			
71 Obligations incurred, net	165,035	169,235	152,000
72 Obligated balance, start of year	6,890	4,688	4,781
74 Obligated balance, end of year	-4,688	-4,781	-4,874
77 Adjustments in expired accounts	-864	-----	-----
90 Outlays	166,373	169,142	151,907

¹ Includes capital outlay as follows: 1972, \$108 thousand; 1973, \$108 thousand; 1974, \$108 thousand.

² Selected resources as of June 30 are as follows:

	1971	1972	1973	1974
Stores	120	182	182	182
Undelivered orders	1,175	1,683	1,683	1,683
Total selected resources	1,295	1,865	1,865	1,865

This account includes funds to cover expenses of programs administered by, and functions assigned to, the Service. The funds consist of direct appropriation, transfers from the Commodity Credit Corporation (CCC), and miscellaneous advances from other sources. This is a consolidated account for administrative expenses of National, Commodity, State, and county offices.

The Commodity offices in Kansas City, Minneapolis, and New Orleans play an important role in administering support programs and the field operations stemming from producer loan and purchase agreements, inventory management, and merchandising activities.

The data processing center in Kansas City provides data processing services in connection with loan and purchase programs; inventory operations; merchandising computation and issuance of producer payments under feed grain, wheat, and cotton programs; tobacco marketing and quota program; county office payrolls; and providing farmers, employees, and Internal Revenue Service information for tax purposes.

The State committees are in general charge of all programs carried out in their respective States. Within the framework of national policy, they determine the policies to be followed and direct the adaptation of national programs to the State.

The Agricultural Stabilization and Conservation elected county committees are responsible for the local administration of programs. They make local program decisions and policies and appoint a county executive director who directs the office staff in handling the day-to-day detailed administrative work.

The programs and activities carried out by this service include: rural environmental assistance program; emergency conservation measures; Water Bank Act program; Appalachian region conservation program; acreage allotment and marketing quota programs; Sugar Act program; conservation reserve program; feed grain, wheat, and cotton programs; cropland conversion program; cropland adjustment program; dairy and beekeeper indemnity programs; Wool Act program; bin storage program; and support and related programs.

The activities carried out by the Service fall within three major categories:

1. *Program formulation and appraisal.*—The supply adjustment, conservation, and commodity support programs, and the management and merchandising of commodities acquired under the support program, have a tremendous impact on the national and, to a lesser extent, the international economy. This activity provides for constant review of the effectiveness of these programs. It also provides for the analysis of data to formulate even more effective programs.

2. *Operation of supply adjustment, conservation, and support programs.*—This activity includes all functions dealing with the administration of programs carried out through the farmer committee system, including: (a) developing program regulations and procedures; (b) holding meetings with employees and producers to discuss new programs or changes in existing programs; (c) collecting and compiling basic data for individual farms; (d) establishing individual farm allotments, bases, and yields; (e) establishing proportionate shares for sugar farms when necessary; (f) notifying producers of allotments, proportionate shares, productivity indexes, and payment rates; (g) determining farm marketing allocations; (h) handling appeals; (i) conducting referendums and certifying results; (j) checking compliance with acreage allotments and use of set-aside acres; (k) developing pooling agreements under which several farmers work jointly to solve a common conservation problem which cannot be solved by individual action; (l) issuing marketing cards so that production from the allotted acreage can be marketed without penalty; (m) processing producer requests for conservation cost sharing; and (n) processing commodity loan documents and issuing sight drafts.

3. *Inventory management and merchandising.*—This activity includes: (a) overall management of CCC-owned commodities; (b) selling commodities; (c) donating commodities; and (d) accounting for loans and commodities. The value of the commodities owned by CCC on June 30, 1972, was about \$1,090 million.

The volume of work in fiscal year 1972 under some of the major programs financed from this account is set forth below:

Acreage allotments and marketing quotas (allotments):	
Tobacco.....	530,594
Peanuts.....	99,800
Rice.....	15,993
Rural environmental assistance program:	
Requests for cost sharing.....	1,382,392
Conservation materials and services orders.....	697,526
Applications for payment.....	867,167
Pooling agreements.....	4,806

Sugar Act program:	
Participating ownership tracts.....	49,303
Estimated planted acreage.....	2,298,100
Feed grain and wheat programs:	
Number of participating farms.....	2,783,491
Upland cotton program:	
Number of participating farms.....	282,857
Loan and support programs:	
Reinspection of farm-stored loans.....	565,872
Number of loan repayments received.....	436,769
Farm-stored loans taken over.....	57,443
Number of reseals.....	146,428
Number of warehouse loans acquired.....	59,514
Number of farm storage loans.....	325,349
Number of warehouse loans.....	184,537
Number of farm storage facility and drier loans.....	101,613
CCC-owned storage facilities:	
Number of structures (as of June 30, 1972).....	71,610
Dairy and beekeeper indemnity programs:	
Total claims paid from Jan. 1, 1964, through June 30, 1972 (thousands of dollars):	
Dairy farmers and manufacturers of dairy products.....	1,391
Beekeepers.....	2,915
Total.....	4,306
Cropland adjustment program:	
Number of agreements.....	47,224
Cropland conversion program:	
Number of agreements.....	1,593

Object Classification (in thousands of dollars)

Identification code 05-60-3300-0-1-351	1972 actual	1973 est.	1974 est.
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	51,358	48,514	45,844
11.3 Positions other than permanent.....	1,981	1,980	1,980
11.5 Other personnel compensation.....	590	661	661
Total personnel compensation.....	53,929	51,155	48,485
12.1 Personnel benefits: Civilian.....	4,831	4,500	4,274
13.0 Benefits for former personnel.....	154	150	2,174
21.0 Travel and transportation of persons.....	3,297	3,100	2,900
22.0 Transportation of things.....	1,362	1,460	1,460
23.0 Rent, communications, and utilities.....	11,050	11,775	11,775
24.0 Printing and reproduction.....	1,286	1,500	1,500
25.0 Other services.....	4,721	5,942	7,580
26.0 Supplies and materials.....	1,178	1,150	1,150
31.0 Equipment.....	419	300	300
41.0 Grants, subsidies, and contributions.....	173,365	176,739	161,259
42.0 Insurance claims and indemnities.....	10	10	10
44.0 Refunds.....	76		
Total obligations, Agricultural Stabilization and Conservation Service.....	255,677	257,781	242,867
ALLOCATION ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions.....	146	136	29
11.3 Positions other than permanent.....	3		
Total personnel compensation.....	149	136	29
12.1 Personnel benefits: Civilian.....	12	13	3
21.0 Travel and transportation of persons.....	10	13	
22.0 Transportation of things.....	4	1	
23.0 Rent, communications, and utilities.....	1	1	
25.0 Other services.....	36	51	
Total obligations, allocation ac- counts.....	212	215	32
99.0 Total obligations.....	255,889	257,996	242,899
Obligations are distributed as follows:			
Agricultural Stabilization and Conservation Service.....	255,677	257,781	242,867
Forest Service.....	182	183	
Office of General Counsel.....	30	32	32

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Personnel Summary

	1972 actual	1973 est.	1974 est.
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE			
Total number of permanent positions.....	3,988	3,700	3,536
Full-time equivalent of other positions.....	244	242	242
Average paid employment.....	4,086	3,817	3,599
Average GS grade.....	8.6	8.6	8.6
Average GS salary.....	\$13,320	\$13,550	\$13,575
Average salary of ungraded positions.....	\$8,541	\$8,541	\$8,541
ALLOCATION ACCOUNTS			
Total number of permanent positions.....	7	5	0
Full-time equivalent of other positions.....	1	0	0
Average paid employment.....	11	8	2
Average GS grade.....	8.7	8.8	9.7
Average GS salary.....	\$13,073	\$13,478	\$15,119
Average salary of ungraded positions.....	\$9,835	\$9,993	

SUGAR ACT PROGRAM

For necessary expenses to carry into effect the provisions of the Sugar Act of 1948 (7 U.S.C. 1101-1161), **[\$84,500,000]** **\$89,500,000**, to remain available until June 30 of the next succeeding fiscal year. (Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-60-3305-0-1-351	1972 actual	1973 est.	1974 est.
Program by activities:			
Payments to sugar producers:			
(a) Continental beet area.....	57,499	54,398	55,518
(b) Continental (Louisiana-Florida) cane area.....	14,717	18,600	19,800
(c) Texas cane area.....			1,200
(d) Offshore cane area.....	15,474	14,644	14,510
10 Total program costs, funded—obligations (object class 41.0).....	87,690	87,642	91,028
Financing:			
21 Unobligated balance available, start of year.....	-6,360	-4,670	-1,528
24 Unobligated balance available, end of year.....	4,670	1,528	
40 Budget authority (appropriation).....	86,000	84,500	89,500
Relation of obligations to outlays:			
71 Obligations incurred, net.....	87,690	87,642	91,028
72 Obligated balance, start of year.....		1,558	1,500
74 Obligated balance, end of year.....	-1,558	-1,500	-28
90 Outlays.....	86,133	87,700	92,500

The objectives are to provide consumers with adequate supplies of sugar at reasonable prices, to protect the welfare of the domestic sugar industry, and to promote the export trade of the United States. Total U.S. requirements and quotas are determined each year. The quota for each domestic area is allotted to individual sellers when necessary to achieve orderly marketing. Restrictive farm acreage allotments are established for producers when necessary to avoid surpluses.

Payments are made which supplement the income of domestic producers of cane and beets. Payments require compliance with specified conditions of employment, production, and price. Payments are also made for abandonment of planted acreage and crop deficiencies on harvested acreage due to natural calamities.

The increase of \$5.0 million proposed for 1974 is required to provide necessary funds to complete payments on the 1972 crop, and to make payments on the 1973 crop to eligible producers in fiscal year 1974.

Tax collections from imports of sugar exceed total obligations by \$684.7 million for fiscal years 1938 through 1972.

The principal outputs are:

PRODUCTION, THOUSANDS OF SHORT TONS, RAW VALUE

Area	Crop year		
	1971 actual	1972 estimated	1973 estimated
Continental beet area.....	3,517	3,500	3,500
Continental (Louisiana-Florida) cane area.....	1,204	1,550	1,650
Texas cane area.....			100
Hawaii.....	1,231	1,125	1,155
Puerto Rico (prior crop year).....	324	300	300
Total output.....	6,276	6,475	6,705

RURAL ENVIRONMENTAL ASSISTANCE PROGRAM

For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U.S.C. 590g-590o, 590p(a), and 590q), including not to exceed \$15,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, **[\$195,500,000]** **\$15,000,000**, to remain available until December 31 of the next succeeding fiscal year for compliance with the programs of soil-building and soil- and water-conserving practices authorized under this head in [the Department of Agriculture and Related Agencies Appropriation Act, 1971 and] the [Act] Acts making Appropriations for Agriculture-Environmental and Consumer Protection Programs, 1972 and 1973, carried out during the period July 1, [1970] 1971, to December 31, [1972] 1973, inclusive: *Provided*, That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That no portion of [the funds for the current year's program] this appropriation may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetland Types 3(III), 4(IV), and 5(V) in United States Department of the Interior, Fish and Wildlife Circular 39, Wetlands of the United States, 1956: *Provided further*, That necessary amounts shall be available for administrative expenses in connection with the formulation and administration of the 1973 program of soil-building and soil- and water-conserving practices, including related wildlife conserving practices and pollution abatement practices, under the Act of February 29, 1936, as amended (amounting to \$225,500,000, excluding administration, except that no participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community): *Provided further*, That not to exceed 5 per centum of the allocation for the current year's program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the Rural Environmental Assistance program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the current year's program \$2,500,000 shall be available for technical assistance in formulating and carrying out rural environmental practices: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been

convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels. (*Agriculture-Environmental and Consumer Protection Appropriation Act, 1973*).

Program and Financing (in thousands of dollars)

Identification code 05-60-3315-0-1-354		1972 actual	1973 est.	1974 est.
Program by activities:				
10	Cost-sharing assistance to farmers (costs—obligations) (object class 41.0).....	195,500	15,000	-----
Financing:				
21.49	Unobligated balance available, start of year: Contract authority.....	-45,500	-----	-210,500
24.49	Unobligated balance available, end of year: Contract authority.....	-----	210,500	-----
25.49	Unobligated balance lapsing: Contract authority.....	45,500	-----	210,500
Budget authority		195,500	225,500	-----
Budget authority:				
40	Appropriation.....	150,000	195,500	15,000
40.49	Portion applied to liquidate contract authority.....	-150,000	-195,500	-15,000
43	Appropriation (adjusted).....	-----	-----	-----
49	Contract authority (81 Stat. 328 and 82 Stat. 647).....	195,500	225,500	-----
Relation of obligations to outlays:				
71	Obligations incurred, net.....	195,500	15,000	-----
Obligated balance, start of year (allocation to States):				
72.40	Appropriation.....	56,551	21,162	34,162
72.49	Contract authority.....	150,000	195,500	15,000
Obligated balance, end of year (allocation to States):				
74.40	Appropriation.....	-21,162	-34,162	-3,474
74.49	Contract authority.....	-195,500	-15,000	-15,000
77	Adjustments in expired accounts.....	-18	-----	-20,688
90	Outlays.....	185,371	182,500	10,000
Status of Unfunded Contract Authority (in thousands of dollars)				
		1972 actual	1973 est.	1974 est.
Unfunded balance, start of year.....		195,500	195,500	15,000
Contract authority.....		195,500	225,500	-----
Administrative cancellation of unfunded balance.....		-45,500	-210,500	-----
Unfunded balance, end of year.....		-195,500	-15,000	-----
Appropriation to liquidate contract authority.....		150,000	195,500	15,000

This program is designed to encourage conservation by sharing with farmers, ranchers, and woodland owners the cost of carrying out approved soil- and water-conserving practices, including related wildlife-conserving practices, and water, air, and land pollution-abatement practices which farmers generally would not perform to the needed extent with their own resources. The rate of cost-sharing averages about 50% of the cost. Cost-sharing may be in the form of conservation materials and services or a payment after completion of the practice.

Conservation measures offered include those primarily designed to establish permanent protective cover, improve and protect established vegetative cover, conserve and dispose of water, establish temporary vegetative cover, temporarily protect soil from wind and water erosion, provide wildlife benefits, and abate agriculture-related pollution.

The following and other practices were installed under the 1971 program on more than 0.6 million farms:

[In thousands]

Constructing water storage reservoirs.....	structures.....	42
Constructing terraces.....	acres served.....	458
Establishing stripcropping systems.....	acres.....	149
Establishing permanent sod waterways.....	do.....	30
Establishing or improving enduring vegetative cover.....	do.....	6,495
Controlling competitive shrubs on range or pasture.....	do.....	1,334
Planting trees and shrubs.....	do.....	167
Improving stands of forest trees.....	do.....	141
Wildlife conservation measures.....	acres served.....	847
Pollution-abatement structures or measures.....	number.....	6

Funds are distributed among the States on the basis of conservation needs. They are, in turn, distributed by the Agricultural Stabilization and Conservation State committees to counties. The county committees approve conservation practice cost-sharing for eligible persons.

Loans from Commodity Credit Corporation are used to make advance payments to vendors. These payments are for conservation materials and services furnished to farmers and ranchers prior to the time funds are appropriated each year. Repayment is made from balances of prior appropriations or from new funds appropriated.

Amounts repaid or estimated to be repaid on the Commodity Credit Corporation loans are:

[In thousands of dollars]

	1972 actual	1973 estimate	1974 estimate	Total
Loan repayment.....	62,200	35,000	-----	97,200

WATER BANK ACT PROGRAM

[For necessary expenses to carry into effect the provisions of the Water Bank Act (16 U.S.C. 1301-1311), \$10,000,000, to remain available until expended.] (*84 Stat. 1468; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-60-3320-0-1-354		1972 actual	1973 est.	1974 est.
Program by activities:				
1. Technical assistance.....		130	823	-----
2. Annual payments.....		-----	7,656	-----
10	Total program costs, funded (costs—obligations).....	130	8,479	-----
Financing:				
21	Unobligated balance available, start of year.....	-----	-9,870	-11,391
24	Unobligated balance available, end of year.....	9,870	11,391	11,391
40	Budget authority (appropriation)...	10,000	10,000	-----
Relation of obligations to outlays:				
71	Obligations incurred, net.....	130	8,479	-----
72	Obligated balance, start of year.....	-----	40	7,321
74	Obligated balance, end of year.....	-40	-7,321	-6,490
90	Outlays.....	90	1,198	831

The purposes of this program are to preserve, restore, and improve the wetlands of the Nation, and thereby to

General and special funds—Continued

WATER BANK ACT PROGRAM—Continued

conserve surface waters, to preserve and improve habitat for migratory waterfowl and other wildlife resources, to reduce runoff, soil and wind erosion, and contribute to improved water quality and reduce stream sedimentation, to contribute to improved subsurface moisture, to reduce acres of new land coming into production and to retire lands now in agricultural production, to enhance the beauty of the landscape, and to promote comprehensive water management planning.

The Secretary of Agriculture enters into agreements with landowners and operators for the conservation of specified wetlands. The agreements are for 10 years with provision for renewal for additional periods. During the period of the agreement, the landowner agrees not to drain, burn, fill or otherwise destroy the wetland character of such areas, nor to use such areas for agricultural purposes, as determined by the Secretary. The Secretary makes annual payments to the owner or operator at a rate to be determined.

The Secretary carries out the program in harmony with wetlands programs administered by the Secretary of the Interior and utilizes the technical and related services of appropriate State, Federal, and private conservation agencies to assure proper coordination.

Object Classification (in thousands of dollars)

Identification code 05-60-3320-0-1-354	1972 actual	1973 est.	1974 est.
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE			
41.0 Grants, subsidies, and contributions.....		7,656	
ALLOCATION TO SOIL CONSERVATION SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	84	521	
11.3 Positions other than permanent.....	3	42	
11.5 Other personnel compensation.....		1	
Total personnel compensation.....	87	564	
12.1 Personnel benefits: Civilian.....	8	55	
21.0 Travel and transportation of persons.....	11	49	
22.0 Transportation of things.....	1	6	
23.0 Rent, communications, and utilities.....		14	
24.0 Printing and reproduction.....		7	
25.0 Other services.....		46	
26.0 Supplies and materials.....	15	65	
31.0 Equipment.....	8	17	
Total obligations, Soil Conserva- tion Service.....	130	823	
99.0 Total obligations.....	130	8,479	

Personnel Summary

Total number of permanent positions.....	3	30	
Full-time equivalent of other positions.....	1	9	
Average paid employment.....	4	46	
Average GS grade.....	8.3	8.3	
Average GS salary.....	\$12,643	\$12,555	

CROPLAND ADJUSTMENT PROGRAM

For necessary expenses to carry into effect a cropland adjustment program as authorized by the Food and Agriculture Act of 1965 (7 U.S.C. 1838), \$52,500,000 \$51,900,000. (Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-60-3335-0-1-351	1972 actual	1973 est.	1974 est.
Program by activities:			
10 Adjustment payments (program costs, funded—obligations) (object class 41.0)	67,100	52,500	51,900
Financing:			
Budget authority.....	67,100	52,500	51,900
Budget authority:			
40 Appropriation.....	69,800	52,500	51,900
41 Transferred to other accounts.....	-2,700		
43 Appropriation (adjusted).....	67,100	52,500	51,900
Relation of obligations to outlays:			
71 Obligations incurred, net.....	67,100	52,500	51,900
72 Obligated balance, start of year.....	7,853	1,072	907
74 Obligated balance, end of year.....	-1,072	-907	-742
77 Adjustments in expired accounts.....	-7,098		
90 Outlays.....	66,783	52,665	52,065

The cropland adjustment program was authorized by the Food and Agriculture Act of 1965 which expired with the 1970 crop year. Cropland adjustment programs were approved only for 1966 and 1967. This program assisted farmers, through long-term agreements, to divert cropland from the production of certain crops to more needed uses that promote the development and conservation of our soil, water, forest, wildlife, and recreational resources. The period of an agreement was not less than 5 years nor more than 10 years. The program also helped farmers establish, protect, and conserve open spaces and natural beauty, and prevent air and water pollution.

In return for diverting the cropland to approved public benefit uses, producers receive adjustment payments. They also are eligible to receive cost-sharing assistance for establishing approved land treatment measures. Additional incentive payments are made to producers who entered into agreements to permit free public access to land designated under the cropland adjustment program agreement, for hunting, trapping, fishing, and hiking.

Under the Greenspan provisions of the program, funds were also made available to Federal, State, or local governmental agencies for use in acquiring cropland for permanent conversion to specified public uses, and cost-shares could also be paid to such agencies for establishing approved land treatment measures consistent with the conditions and costs under agreements entered into with producers.

CONSERVATION RESERVE PROGRAM

Program and Financing (in thousands of dollars)

Identification code 05-60-3369-0-1-351	1972 actual	1973 est.	1974 est.
Financing:			
17 Recovery of prior year obligations.....		-139	
25 Unobligated balance lapsing.....		139	
Budget authority.....			
Relation of obligations to outlays:			
71 Obligations incurred, net.....		-139	
72 Obligated balance, start of year.....	273	193	
74 Obligated balance, end of year.....	-193		
90 Outlays.....	80	54	

This program, initiated in 1956, has two objectives. One is to bring total crop acreage more nearly in line with demand by withdrawing cropland from production. The other is to establish and maintain sound conservation practices on the land withdrawn. The Secretary was authorized, through calendar year 1960, to enter into 3- to 15-year contracts with producers. For removing designated cropland from production and for establishing necessary conservation practices, the producer receives an annual rental payment each year of the contract period. He also receives cost-sharing assistance for the establishment of required practices. Total annual rental payments to a producer are limited to \$5 thousand.

Participation in the program is summarized below:

Number of contracts, 1972 program.....	7
Number of acres, 1972 program.....	704
Payments made in program year 1971.....	\$80,040
Estimated payments to be made in program year 1972.....	\$54,490

EMERGENCY CONSERVATION MEASURES

For emergency conservation measures, to be used for the same purposes and subject to the same conditions as funds appropriated under this head in the Third Supplemental Appropriations Act, 1957, to remain available until expended, \$10,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated for emergency conservation measures. (71 Stat. 176; *Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-60-3316-0-1-354	1972 actual	1973 est.	1974 est.
Program by activities:			
Emergency cost-sharing assistance to farmers (total operating costs, funded).....	10,715	16,835	16,835
Unfunded adjustments to total operating costs.....	397	-----	-----
Total operating costs, funded.....	11,112	16,835	16,835
Change in selected resources ¹	-3,065	-----	-----
10 Total obligations (object class 41.0).....	8,047	16,835	16,835
Financing:			
11 Receipts and reimbursements from:			
Federal funds.....	-281	-----	-----
17 Recovery of prior year obligations.....	-498	-----	-----
21 Unobligated balance, start of year.....	-8,937	-13,670	-6,835
24 Unobligated balance, end of year.....	13,670	6,835	-----
40 Budget authority (appropriation)....	12,000	10,000	10,000
Relation of obligations to outlays:			
71 Obligations incurred, net.....	7,268	16,835	16,835
72 Obligated balance, start of year.....	2,492	2,352	6,187
74 Obligated balance, end of year.....	-2,352	-6,187	-11,022
90 Outlays.....	7,407	13,000	12,000

¹ Selected resources as of June 30 are as follows: 1971, \$5,495 thousand; 1972, \$2,430 thousand; 1973, \$2,430 thousand; 1974, \$2,430 thousand.

This appropriation provides special funds for sharing the cost of emergency conservation measures to deal with cases of severe damage to farm and range lands resulting from natural disasters. The criteria under which assistance may be made available are set forth in the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590(h)).

Funds are allocated for use only in those counties designated by the Secretary of Agriculture as disaster counties. Assistance is made available to treat new conservation problems which (1) if not treated will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage

which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use.

Under the 1972 program cost-sharing assistance is being provided to treat farmlands damaged by flood, tornado, hurricane, freeze, and fire. As of November 30, 1972, there were 89 counties in 18 States where assistance was being provided.

DAIRY AND BEEKEEPER INDEMNITY PROGRAMS

For necessary expenses involved in making payments to dairy farmers and manufacturers of dairy products who have been directed to remove their milk or milk products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and to beekeepers who through no fault of their own have suffered losses as a result of the use of economic poisons which had been registered and approved for use by the Federal Government, \$3,500,000, to remain available until expended: *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government. (7 U.S.C. 135b note; 7 U.S.C. 450 j to l; *Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-60-3314-0-1-351	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Indemnity payments to dairy farmers.....	37	100	-----
2. Indemnity payments to manufacturers of dairy products.....	-----	100	-----
3. Indemnity payments to beekeepers.....	4,669	7,094	2,500
10 Total program costs, funded (costs—obligations) (object class 41.0).....	4,706	7,294	2,500
Financing:			
17 Recovery of prior year obligations.....	-14	-----	-----
21 Unobligated balance available, start of year.....	-3,500	-6,294	-2,500
24 Unobligated balance available, end of year.....	6,294	2,500	-----
25 Unobligated balance lapsing.....	14	-----	-----
40 Budget authority (appropriation)....	7,500	3,500	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	4,692	7,294	2,500
72 Obligated balance, start of year.....	36	1,754	648
74 Obligated balance, end of year.....	-1,754	-648	-----
90 Outlays.....	2,974	8,400	3,148

Under this program the Department makes indemnification payments to dairy farmers, manufacturers of dairy products, and beekeepers.

This program began in 1964 and was limited (until the passage of the Agricultural Act of 1970) to payments to dairy farmers, who were directed to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government.

The Agricultural Act of 1970 authorized indemnification payments, beginning with the date of its enactment, to manufacturers of dairy products who have been directed to remove their products because it contained residues of chemicals registered and approved for use by the Federal Government.

The Agricultural Act of 1970 also authorized payments to beekeepers who, through no fault of their own, have suffered losses of honey bees after January 1, 1967, as a result of utilization of economic poisons near or adjacent

General and special funds—Continued

DAIRY AND BEEKEEPER INDEMNITY PROGRAMS—Continued

to the property on which the beehives of such beekeepers were located.

Claims paid through June 30, 1972:

Indemnity payments to dairy farmers.....	\$1,375,903
Indemnity payments to manufacturers of dairy products.....	15,500
Indemnity payments to beekeepers.....	2,914,707

CROPLAND CONVERSION PROGRAM

Program and Financing (in thousands of dollars)

Identification code 05-60-3333-0-1-351	1972 actual	1973 est.	1974 est.
Relation of obligations to outlays:			
71 Obligations incurred, net.....			
72 Obligated balance, start of year.....	1,376	1,268	1,143
74 Obligated balance, end of year.....	-1,268	-1,143	-1,018
90 Outlays.....	108	125	125

Long-range agreements were approved with farmers and ranchers from 1963 to 1967. The outlays shown are liquidating these old agreements.

Note.—Obligations incurred under allotments and allocations from other accounts are included in the schedules of the parent appropriation as follows:
Agriculture: Soil Conservation Service, "Great Plains Conservation Program".
Commerce: Regional Action Planning Commission, "Regional Development Program."
Funds appropriated to the President: "Revolving Fund, Defense Production Act."

Intragovernmental funds:

CONSOLIDATED WORKING FUND

Program and Financing (in thousands of dollars)

Identification code 05-60-3933-0-4-354	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Salaries and expenses; Bureau of Narcotics and Dangerous Drugs.....	54		
2. Regional development program, Regional Action Planning Commission.....	454	152	
10 Total program costs, funded—obligations (object class 41.0).....	508	152	
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-508	-152	
Budget authority.....			
Relation of obligation to outlays:			
71 Obligations incurred, net.....			
72 Obligated balance start of year.....	110	26	
74 Obligated balance end of year.....	-26		
90 Outlays.....	84	26	

CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided:

FEDERAL CROP INSURANCE CORPORATION

Federal Funds

General and special funds:

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, \$12,000,000. (7 U.S.C. 1501-1519; 31 U.S.C. 841, 846-852, 866-868c, 869; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-63-2707-0-1-351	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
1. Underwriting, actuarial, and program development.....	1,632	1,864	1,864
2. Marketing and collections.....	5,181	4,709	4,731
3. Contract servicing and claims.....	5,174	5,405	5,405
Total direct program.....	11,987	11,978	12,000
Reimbursable program:			
1. Underwriting, actuarial, and program development.....	3		
2. Marketing and collections.....	3		
Total reimbursable program.....	6		
Total program costs, funded ¹	11,993	11,978	12,000
Change in selected resources ²	13		
10 Total obligations.....	12,006	11,978	12,000
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-6		
Budget authority.....	12,000	11,978	12,000
Budget authority:			
40 Appropriations.....	12,000	12,000	12,000
41 Transferred to other accounts.....		-22	
43 Appropriation (adjusted).....	12,000	11,978	12,000
Relation of obligations to outlays:			
71 Obligations incurred, net.....	12,000	11,978	12,000
72 Obligated balance, start of year.....	1,686	1,620	1,620
74 Obligated balance, end of year.....	-1,620	-1,620	-1,620
90 Outlays.....	12,066	11,978	12,000

¹ Includes capital outlay as follows: June 30, 1972, \$27 thousand; 1973, \$27 thousand; 1974, \$27 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$48 thousand; 1972, \$61 thousand; 1973, \$61 thousand; 1974, \$61 thousand.

This appropriation finances a major portion of the administrative and operating expenses of the Corporation under existing legislation. The budget for insurance operations financed from capital funds appears on subsequent pages.

Object Classification (in thousands of dollars)

Identification code 05-63-2707-0-1-351	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	6,859	6,951	6,999
11.3 Positions other than permanent.....	1,356	1,089	1,063
11.5 Other personnel compensation.....	6	8	8
Total personnel compensation.....	8,221	8,048	8,070
12.1 Personnel benefits: Civilian.....	761	792	792
13.0 Benefits for former personnel.....	35	10	
21.0 Travel and transportation of persons.....	1,173	1,184	1,184
22.0 Transportation of things.....	63	40	40
23.0 Rent, communications, and utilities.....	828	798	808
24.0 Printing and reproduction.....	94	160	160
25.0 Other services.....	722	838	838

26.0	Supplies and materials	46	54	54
31.0	Equipment	47	54	54
42.0	Insurance claims and indemnities	3	-----	-----
	Total costs, funded	11,993	11,978	12,000
94.0	Change in selected resources	13	-----	-----
99.0	Total obligations	12,006	11,978	12,000

Personnel Summary

Total number of permanent positions	567	576	576
Full-time equivalent of other positions	191	156	149
Average paid employment	773	726	718
Average GS grade	7.4	7.6	7.7
Average GS salary	\$11,915	\$12,104	\$12,385

SUBSCRIPTION TO CAPITAL STOCK

Program and Financing (in thousands of dollars)

Identification code 05-63-2708-0-1-351	1972 actual	1973 est.	1974 est.
Budget authority:			
40 Appropriation	10,000	-----	-----
41 Transferred to other accounts	-10,000	-----	-----
43 Appropriation (adjusted)	-----	-----	-----
Relation of obligations to outlays:			
71 Obligations incurred, net	-----	-----	-----
90 Outlays	-----	-----	-----

Public enterprise funds:

FEDERAL CROP INSURANCE CORPORATION FUND

Not to exceed [\$3,654,000] \$3,632,000 of administrative and operating expenses may be paid from premium income. (7 U.S.C. 1516(a); 78 Stat. 933; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-63-4085-0-3-351	1972 actual	1973 est.	1974 est.
Program by activities:			
Operating costs, funded:			
Indemnities, by crop:			
Apples	387	1,234	375
Barley	308	572	901
Beans	256	216	403
Citrus	1,540	7,161	2,637
Combined crop	67	103	480
Corn	4,266	6,231	7,924
Cotton	6,306	6,263	3,584
Flax	217	158	203
Grain sorghum	845	1,995	1,131
Grapes	-----	553	148
Oats	146	467	375
Peaches	553	684	314
Peanuts	2,485	408	1,131
Peas	184	133	255
Raisins	-----	206	-----
Rice	33	38	63
Soybeans	2,822	4,217	3,745
Sugar beets	304	360	467
Sugarcane	197	14	220
Tobacco	1,960	2,064	5,013
Tomatoes	14	35	31
Wheat	5,591	5,046	11,846
Reinsurance—Puerto Rico	1	48	48
Total indemnities	28,482	38,000	41,500
Inspection and adjustment costs	1,832	2,295	2,469
Administrative expenses	2,820	3,504	3,632
Other expenses and adjustments, net	237	322	322
10 Total program costs, funded—obligations	33,371	44,121	47,923

Financing:

14 Receipts and reimbursements from: Non-

Federal sources:

Insurance premiums, by crop:

Apples	-369	-377	-416
Barley	-1,017	-926	-999
Beans	-385	-417	-447
Citrus	-2,667	-2,454	-2,923
Combined crop	-485	-377	-532
Corn	-11,586	-8,306	-8,783
Cotton	-3,786	-3,633	-3,972
Flax	-316	-207	-225
Grain sorghum	-1,443	-1,142	-1,254
Grapes	-104	-148	-164
Oats	-585	-381	-416
Peaches	-313	-315	-348
Peanuts	-1,149	-1,199	-1,254
Peas	-311	-257	-283
Raisins	-312	-124	-228
Rice	-63	-66	-70
Soybeans	-3,924	-3,918	-4,151
Sugar beets	-534	-500	-517
Sugarcane	-222	-204	-244
Tobacco	-5,072	-5,012	-5,557
Tomatoes	-35	-31	-34
Wheat	-13,260	-11,953	-13,130
Reinsurance—Puerto Rico	-62	-53	-53
Total premiums	-48,000	-42,000	-46,000
Interest, other receipts, and adjustments	115	-----	-----
21 Unobligated balance available, start of year	-14,441	-38,955	-36,834
24 Unobligated balance available, end of year	38,955	36,834	34,911

Budget authority

10,000

Budget authority:

42 Transferred from other accounts	10,000	-----	-----
43 Appropriation (adjusted)	10,000	-----	-----
Relation of obligations to outlays:			
71 Obligations incurred, net	-14,514	2,121	1,923
Obligated balance, start of year	1,411	-----	-----
72 Receivables in excess of obligations, start of year	-----	-2,708	-2,183
74 Receivables in excess of obligations, end of year	2,708	2,183	2,151
90 Outlays	-10,395	1,596	1,891

The Federal Crop Insurance Corporation, a wholly owned Government Corporation, was created on February 16, 1938 (7 U.S.C. 1501-1519), to carry out the provisions of the Federal Crop Insurance Act. The purpose of this act is to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance, and to provide the means for the research and experience helpful in devising and establishing such insurance.

Crop insurance offered to agricultural producers by the Corporation provides protection from losses caused by natural hazards, such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. It does not indemnify producers for losses resulting from negligence or failure to observe good farming practices.

The crop insurance programs are developed and analyzed in the Washington headquarters office and are administered in the field by 14 sales and contract service centers. Sales and servicing of contracts at the county level is performed by private agents under contractual agreements with the Corporation and by Corporation employees hired on a permanent, part-time or WAE (when actually employed) basis. Detailed administrative and program accounting and statistical functions are performed by the National Service Office in Kansas City, Mo., as well as the underwriting and actuarial analysis.

Public enterprise funds—Continued

FEDERAL CROP INSURANCE CORPORATION FUND—Continued

Budget program.—The program for fiscal year 1974 will provide crop insurance protection to farmers amounting to approximately \$925 million on the following commodities: apples, barley, beans, citrus, combined crop, corn, cotton, flax, grain sorghum, grapes, oats, peaches, peanuts, peas, raisins, rice, soybeans, sugar beets, sugarcane, tobacco, tomatoes, and wheat. Also, the Corporation has been reinsuring a portion of the crop insurance written by the Commonwealth of Puerto Rico since crop year 1968.

The following table indicates the scope of the insurance operations planned for 1973 and 1974, as compared with 1972. Amounts in the 1972 column are actual, and pertain to the 1971 crop year. The 1973 column pertains to the 1972 crop year, and the 1974 column pertains to the 1973 crop year.

	1972 fiscal year (1971 crop year) actual	1973 fiscal year (1972 crop year) estimate	1974 fiscal year (1973 crop year) estimate
Number of States.....	39	39	39
Number of counties.....	1,423	1,422	1,433
Insurance in force beginning of fiscal year (thousands).....	\$947,567	\$854,000	\$925,000
Insured acreage (thousands).....	18,476	15,400	16,500
Number of crops insured.....	381,145	342,328	367,000
Premiums (thousands).....	\$48,000	\$42,000	\$46,000
Indemnities (thousands).....	\$28,482	\$38,000	\$41,500
Loss ratio.....	0.59	0.90	0.90

Financing.—Capital stock of \$100 million is authorized to be subscribed by the United States. As of June 30, 1972, the Secretary of the Treasury held receipts for \$60 million of authorized stock, leaving \$40 million unissued.

Funds from the issuance of capital stock provide working capital for the Corporation. Receipts which are for deposit to this fund come mainly from premiums paid by farmers for crop insurance indemnity costs. The principal payments from this fund are for: indemnities to insured farmers; the direct cost of adjusting crop losses; and a part of the administrative and operating expenses. However, the direct cost of loss adjustment and the administrative and operating expenses paid from the fund are not provided for in the premium rates (section 508(b) of the Federal Crop Insurance Act, as amended).

The annual appropriation for the major portion of the administrative and operating expenses of the Corporation is presented earlier in the budget.

It is estimated that gross income of \$46 million from operations will provide adequate operating funds for fiscal year 1974, unless heavy losses occur early in the fiscal year.

Operating results and financial condition.—As of June 30, 1972, the Corporation reflected a deficit of \$21 million which is lower by \$14.6 million than the deficit of the year before. The smaller deficit resulted from increased premiums over indemnities for crop year 1971 to cover expenses paid from the fund. Crop year 1971 premiums of \$48 million exceeded indemnities by over \$19.5 million, resulting in a loss ratio of 0.59 as compared with the 1970 loss ratio of 0.94.

A 0.90 loss ratio is estimated for crop year 1972. Premiums of \$42 million are estimated to exceed indemnities by \$4 million. For the crop years 1948 through 1971, premium income (\$654.9 million) exceeded indemnity costs (\$619.9 million) by \$35 million; the loss ratio for the period was 0.95. Premium income exceeded indemnity costs in 13 of the 24 years.

The following table summarizes the insurance operations by commodities for 1972, 1973, and 1974:

NET INCOME OR LOSS (—) ON INSURANCE OPERATIONS,
BY COMMODITIES

[Fiscal years ending June 30, 1972, 1973, and 1974—in thousands of dollars]

	1972 actual (1971 crop year)	1973 estimate (1972 crop year)	1974 estimate (1973 crop year)
Apples.....	—18	—857	41
Barley.....	709	354	98
Beans.....	129	201	44
Citrus.....	1,127	—4,707	286
Combined crop.....	418	274	52
Corn.....	7,320	2,075	859
Cotton.....	—2,520	—2,630	388
Flax.....	99	49	22
Grain sorghum.....	598	—853	123
Grapes.....	104	—405	16
Oats.....	439	—86	41
Peaches.....	—240	—369	34
Peanuts.....	—1,336	791	123
Peas.....	127	124	28
Raisins.....	312	124	22
Rice.....	30	28	7
Soybeans.....	1,102	—299	406
Sugar beets.....	230	140	50
Sugarcane.....	25	190	24
Tobacco.....	3,112	2,948	544
Tomatoes.....	21	—4	3
Wheat.....	7,669	6,907	1,284
Reinsurance—Puerto Rico.....	61	5	5
Premiums over in- demnities.....	19,518	4,000	4,500
Inspection and loss adjust- ment costs.....	—1,832	—2,295	—2,469
Administrative expenses charged to premium in- come.....	—2,820	—3,504	—3,632
Other income or expense, net.....	—352	—322	—322
Net income or loss (—).....	14,514	—2,121	—1,923

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Revenue.....	47,885	42,000	46,000
Expense.....	33,371	44,121	47,923
Net income or loss (—) for the year..	14,514	—2,121	—1,923

Financial Condition (in thousands of dollars)

	1971 actual	1972 actual	1973 est.	1974 est.
Assets:				
Treasury balance.....	15,852	36,247	34,651	32,760
Accounts receivable, net.....	25,005	23,782	22,042	24,174
Total assets.....	40,857	60,029	56,693	56,934
Liabilities:				
Accounts payable and accrued liabilities.....	6,014	1,228	3,492	3,664
Deferred credits.....	20,327	19,771	16,292	18,284
Provisions for surety losses.....	75	75	75	75
Total liabilities.....	26,416	21,074	19,859	22,023
Government equity:				
Unobligated balance (total Government equity).....	14,441	38,955	36,834	34,911

Note.—Excludes contingent liabilities representing estimated insurance coverage on 1972, 1973, and 1974 crops in the following amounts: 1972, \$948 million; 1973, \$854 million; and 1974, \$925 million.

Analysis of Changes in Government Equity (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Non-interest-bearing capital:			
Start of year.....	50,000	60,000	60,000
Sales of capital stock.....	10,000		
End of year.....	60,000	60,000	60,000
Retained earnings:			
Start of year.....	-35,559	-21,045	-23,166
Net income or loss (-) for the year.....	14,514	-2,121	-1,923
End of year.....	-21,045	-23,166	-25,089
Total Government equity (end of year).....	38,955	36,834	34,911

Object Classification (in thousands of dollars)

Identification code 05-63-4085-0-3-351	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	63	85	85
11.3 Positions other than permanent.....	1,170	1,567	1,567
Total personnel compensation.....	1,233	1,652	1,652
12.1 Personnel benefits: Civilian.....	66	81	81
21.0 Travel and transportation of persons.....	533	562	736
42.0 Insurance claims and indemnities.....	28,482	38,000	41,500
92.0 Undistributed (provision for doubtful accounts and adjustments of prior year expenses).....	237	322	322
93.0 Administrative expenses (see separate schedule).....	2,820	3,504	3,632
99.0 Total obligations.....	33,371	44,121	47,923

Personnel Summary

Total number of permanent positions.....	7	10	10
Full-time equivalent of other positions.....	160	195	195
Average paid employment.....	167	204	204
Average GS grade.....	7.4	7.6	7.7
Average GS salary.....	\$11,915	\$12,104	\$12,385

LIMITATION ON ADMINISTRATIVE AND OPERATING EXPENSES

Program and Financing (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Program by activities:			
Administrative expenses (costs—obligations).....	2,820	3,504	3,632

Program and Financing (in thousands of dollars)

Identification code 05-66-4336-0-3-351	1972 actual	1973 est.	1974 est.
Program by activities:			
Support and related programs:			
Operating costs, funded:			
1. Cost of commodities sold including exchange for payment-in-kind certificates.....	796,591	1,232,390	425,903
2. Cost of commodities donated, domestic.....	267,968	306,447	290,439
3. Storage, transportation, and other costs not included above.....	294,781	333,735	145,114
4. Export payments.....	116,934	359,000	27,700
5. Wheat certificates issued.....	878,077	722,999	813,000
6. Set-aside payments:			
(a) Feed grains.....	1,053,309	1,880,000	1,070,000
(b) Wheat.....	43	132,150	55,000
(c) Cotton.....	823,949	812,700	705,200
7. Administrative expense subject to limitation.....	39,983	37,034	38,856
8. Nonadministrative expense not distributed above.....	37,782	37,040	40,026
9. Interest:			
(a) Treasury.....	374,536	418,059	301,825
(b) Other.....	46		

Financing:

Unobligated balance lapsing.....	767		
Limitation.....	3,587	3,504	3,632
Object Classification (in thousands of dollars)			
Identification code 05-63-4085-0-3-351	1972 actual	1973 est.	1974 est.
11.3 Personnel compensation: Positions other than permanent.....	1,306	2,048	2,026
12.1 Personnel benefits: Civilian.....	68	83	83
21.0 Travel and transportation of persons.....	469	333	483
25.0 Other services (advertising).....	116	130	130
25.0 Agents and other agreements.....	861	910	910
93.0 Administrative expenses included in schedule for fund as a whole.....	-2,820	-3,504	-3,632
99.0 Total obligations.....			

Personnel Summary

Average paid employment.....	159	254	262
Average GS grade.....	7.4	7.6	7.7
Average GS salary.....	\$11,915	\$12,104	\$12,385

COMMODITY CREDIT CORPORATION

Federal Funds

General and special funds:

REIMBURSEMENT FOR NET REALIZED LOSSES

To reimburse the Commodity Credit Corporation for net realized losses sustained in prior years but not previously reimbursed, pursuant to the Act of August 17, 1961 (15 U.S.C. 713a-11, 713a-12), **[\$4,057,952,000]** \$3,457,409,000: *Provided*, That no funds appropriated by this Act shall be used to formulate or administer programs for the sale of agricultural commodities pursuant to title I of Public Law 480, 83d Congress, as amended, to any nation which sells or furnishes or which permits ships or aircraft under its registry to transport to North Vietnam any equipment, materials, or commodities, so long as North Vietnam is governed by a Communist regime. (*Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

REIMBURSEMENT TO COMMODITY CREDIT CORPORATION,
NATIONAL WOOL ACT

Public enterprise funds:

COMMODITY CREDIT CORPORATION FUND

Note.—Expenditures from the following fund for 1973 are subject to the first paragraph of subtitle "Corporations" of title I of the Agriculture-Environmental and Consumer Protection Appropriation Act, 1973, Public Law 92-399. For 1974 this paragraph shown on p. 150 preceding Federal Crop Insurance Corporation.

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued
Program and Financing (in thousands of dollars)—Continued

Identification code 05-66-4336-0-3-351		1972 actual	1973 est.	1974 est.
Program by activities—Continued				
Support and related programs—Continued				
Operating costs, funded—Continued				
10. Increase or decrease (—) in provision for losses:				
(a) On commodities for sale	22,999	—92,378	5,120	
(b) On accounts receivable	—380	2	—817	
Total operating costs, funded	4,706,618	6,179,178	3,917,366	
Capital outlay:				
1. Direct loans: Storage facility	120,301	150,000	30,000	
2. Direct loans: Commodity	2,680,813	1,885,008	2,286,007	
3. Purchase of administrative equipment	516	950	1,100	
4. Export credit sales program (obligations)	392,692	900,000	625,000	
Total capital outlay, funded	3,194,322	2,935,958	2,942,107	
Total program costs, funded	7,900,940	9,115,136	6,859,473	
Change in selected resources ¹	710,721	—1,732,912	3,361	
Total obligations, support and related programs	8,611,661	7,382,224	6,862,834	
Special activities:				
1. Operating costs, funded: Commodities transferred from support program and commodities procured	403,545	294,554	198,040	
2. Other operating costs:				
(a) Interest	1,304	3,485	3,229	
(b) Other program and operating costs	1,006,030	1,019,375	960,575	
Total operating costs, funded	1,410,879	1,317,414	1,161,844	
Capital outlay:				
Loans made for rural environmental assistance (obligations)	35,000	35,000		
Total program costs, funded	1,445,879	1,352,414	1,161,844	
Change in selected resources ¹	55,510	36,540	924	
Total obligations, special activities	1,501,389	1,388,954	1,162,768	
10 Total obligations	10,113,050	8,771,178	8,025,602	
Financing:				
Receipts and reimbursements from:				
Support and related programs:				
11 Federal funds:				
Sales to special activities	—403,545	—294,554	—198,040	
Interest revenue	—2,003	—5,085	—4,429	
Other revenue	—2,475	—2,475	—2,475	
14 Non-Federal sources (62 Stat. 1070):				
Sale of wheat certificates	—386,161	—393,750	—393,750	
Sales and other proceeds	—398,407	—1,084,303	—202,213	
Interest revenue	—68,005	—68,834	—82,416	
Other revenue	—53	—100	—100	
Realization of assets	—1,070	—5,050	—4,250	
Loans repaid	—2,084,629	—2,439,359	—2,066,619	
Loan collateral forfeited	—157,113	—152,261	—173,416	
Repayments by importers:				
Short-term export credit sales program ²	—299,794	—582,000	—1,217,000	
Interest revenue	—50,501	—38,140	—58,768	
Subtotal	—3,853,756	—5,065,911	—4,403,476	
Special activities:				
11 Federal funds:				
Reimbursements received	—201,021	—246,540	—189,640	
Repayment of loan for rural environmental assistance	—62,200	—35,000		
Advance from foreign assistance and special export programs	—1,320,400	—895,000	—653,638	
14 Non-Federal sources (68 Stat. 454, as amended):				
Repayments by foreign governments and importers: long-term credit sales (Public Law 480)	—100,103	—160,300	—163,700	
Subtotal	—1,683,724	—1,336,840	—1,006,978	
21.47 Unobligated balance available, start of year: Authority to spend public debt receipts			—950,145	
22 Unobligated balance transferred from other accounts		—18,000	—46,200	
23 Unobligated balance transferred to other accounts	30,500	33,700		
24.47 Unobligated balance available, end of year: Authority to spend public debt receipts		950,145	1,901,606	
Budget authority	4,606,069	3,334,272	3,520,409	

Budget authority:				
Support and related programs:				
40	Appropriation: Reimbursement for net realized losses	4,213,331	4,057,952	3,457,409
40.49	Portion applied to liquidate contract authority		—790,377	
43	Appropriation (adjusted)	4,213,331	3,267,575	3,457,409
69	Contract authority (permanent, indefinite)	317,309		
Special activities:				
60	Appropriation: Reimbursement to Commodity Credit Corporation, National Wool Act (permanent, indefinite, special fund)	75,430	66,697	63,000
Relation of obligations to outlays:				
Support and related programs:				
71	Obligations incurred, net	4,757,905	2,316,313	2,459,358
Obligated balance, start of year:				
72.47	Authority to spend public debt receipts	2,522,763	2,998,990	2,607,009
72.49	Contract authority	443,736	699,478	
72.98	Fund balance:			
	Commodity Credit Corporation	73,128	115,693	119,312
Obligated balance, end of year:				
74.47	Authority to spend public debt receipts	—2,998,990	—2,607,009	—2,390,981
74.49	Contract authority	—699,478		
74.98	Fund balance:			
	Commodity Credit Corporation	—115,693	—119,312	—84,312
	Outlays, support and related programs	3,983,371	3,404,153	2,710,386
Special activities:				
71	Obligations incurred, net	—182,335	52,114	115,790
72.49	Obligated balance, start of year	29,332	90,899	133,298
74.49	Obligated balance, end of year	—90,899	—133,298	—140,222
77	Adjustments to military housing nonexpenditure transaction	6,001	6,000	6,000
	Outlays, special activities	—237,901	15,715	154,866
90	Total outlays	3,745,470	3,419,868	2,865,252

Status of Unfunded Contract Authority (in thousands of dollars)

Unfunded balance, start of year ³	473,068	790,377	
Contract authority.....	317,309		
Unfunded balance, end of year ³	-790,377		
Appropriation to liquidate contract authority.....		790,377	

¹ Balances of selected resources are identified on the statement of financial condition.² Includes sale of time drafts in the commercial financial market in 1973, \$300,535 thousand; 1974, \$968,249 thousand.³ Statutory obligations against borrowing authority include only borrowing from, or with the approval of Treasury. A sufficient amount of CCC's borrowing authority is required to be reserved to cover obligations to purchase notes, certificates of interest, or other obligations evidencing loans held by banks and accrued interest thereon, but such obligations, other obligations, contingent liabilities, and commitments do not become charges against the statutory borrowing authority until they result in borrowing from Treasury. Only that portion of the borrowing authority is available which has neither been so reserved nor charged by actual borrowings.

Note.—This statement excludes contingent liabilities for short-term export credit (guaranteed by CCC).

The Corporation was created to stabilize, support, and protect farm income and prices, help maintain balanced and adequate supplies of agricultural commodities, their products, foods, feeds, and fibers, and help in their orderly distribution (15 U.S.C. 714-714p). It may also make available materials and facilities required in connection with the production and marketing of agricultural commodities. In addition to its basic functions, it is used to administer and, in some cases, temporarily finance numerous special activities.

The Corporation's capital stock of \$100 million is held by the United States. Up to \$14.5 billion may be borrowed to finance operations.

Budget assumptions.—The following general assumptions form the basis for the Corporation's 1973 and 1974 budget estimates: (a) Employment, production, and national income will rise both in 1973 and 1974 from the present

level; (b) generally, exports of agricultural commodities in 1974 will increase over 1973 levels; (c) yields for the 1973 crops are based on recent averages adjusted for trend; (d) acreage allotments and marketing quotas will be in effect for the 1973 crops of peanuts, rice, and certain kinds of tobacco (flue-cured tobacco will be on an acreage-poundage program and Burley tobacco is on a poundage allotment beginning with the 1971 crop); and (e) set-aside programs for cotton, feed grains, and wheat will be in operation.

It is difficult to forecast with accuracy, requirements for the year ending June 30, 1974. Complex and unpredictable factors are involved, such as weather, other factors which affect the volume of production of crops not yet planted, feed and food needs here and overseas, and available dollar exchange.

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

PROGRAMS OF THE CORPORATION

The basic functions of the Corporation include the following programs for which appropriations are made for net realized losses sustained (in thousands of dollars):

Program	1974 estimate		
	Gross obligations	Outlays	Net realized loss for year
Wheat certificates issued (535 million bushels)	813,000	419,250	419,250
Commodity export payments	27,700	27,700	27,700
Short-term export credit sales	625,000	-592,000	
Other support and related	3,154,859	634,271	564,369
Storage facilities	30,000	-62,100	-4,200
Supply	268	15	-27
Feed grain set-aside (22 million acres)	1,070,000	1,070,000	1,070,000
Wheat set-aside (17 million acres)	55,000	55,000	55,000
Cotton set-aside	705,200	705,200	705,200
Other items not distributed by program	381,807	453,050	233,464
Total	6,862,834	2,710,386	3,070,756

Support.—The Corporation, through loans, purchases, payments, and other means, provides support of agricultural commodities to producers. This is done mainly under the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.) and the Agricultural Act of 1970, Public Law 91-524 (7 U.S.C. 1421 et seq.).

Support is mandatory for the basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco. It also requires support of the following nonbasic commodities: Tung nuts, honey, milk, barley, oats, rye, and grain sorghum. The National Wool Act of 1954, as amended (7 U.S.C. 1781-87), requires support for wool and mohair. Support for other nonbasic commodities is discretionary. The support program may also include operations to remove and dispose of surplus agricultural commodities in order to stabilize prices at levels not in excess of those permissible by law.

The principal methods of providing support are loans to and purchases from producers. With limited exceptions, loans made on commodities are nonrecourse. The commodities serve as collateral for the loan and on maturity the producer may deliver or forfeit such collateral to satisfy his obligation without further payment.

Direct purchases are also made from processors as well as producers, depending on the commodity involved. Also, special purchases for the removal of surpluses are made under certain laws, for example: The act of August 19, 1958, as amended (7 U.S.C. 1431 note), and section 416 of the Agricultural Act of 1949, as amended (7 U.S.C. 1431). For feed grains, in addition to loans and purchases, producers receive payments. For upland and extra-long staple cotton, producers receive payments in addition to loans. For wheat, in addition to loans and purchases, producers receive marketing certificates as hereinafter described. In the feed grains, wheat, and cotton programs, the producers must comply with acreage set-aside provisions (hereinafter described), if in effect, in order to be eligible for loans, purchases, payments, and certificates (in the case of wheat). Also, the total amount of payments which a person is entitled to receive under each of these three programs on the 1971, 1972, or 1973 crop of the commodity shall not exceed \$55 thousand.

In support operations, normal trade facilities are used to the maximum extent practicable. Cooperatives and financial institutions are used in lending activities.

Commercial facilities are used to a great extent for storage.

Besides the Charter Act and laws mentioned above, many other laws are applicable to the disposition through sales, donations, and barter of commodities acquired under the support program. For accounting purposes, the Corporation credits to the support program proceeds of commodities sold from its stocks, including those disposed of through redemption of domestic and export payment-in-kind certificates and through special activities.

DATA ON SUPPORT AND RELATED PROGRAMS

[In thousands of dollars]

Item	1972 actual	1973 estimate	1974 estimate
Loans made	2,801,114	2,035,008	2,316,007
Loans repaid	2,084,629	2,439,359	2,066,619
Loan collateral forfeited	157,113	152,261	173,416
Loans outstanding, June 30	2,486,226	1,833,672	1,806,505
Acquisitions	946,775	831,112	755,553
Cost of commodities sold	796,591	1,232,390	425,903
Cost of commodities donated	267,968	306,447	290,439
Inventory as of June 30	1,090,095	382,370	421,581
Investment in loans and inventory as of June 30	3,576,321	2,216,042	2,228,086
Wheat certificates issued	878,077	722,999	813,000
Set-aside payments	1,877,301	2,824,850	1,830,200
Net expenditures	3,983,371	3,404,153	2,710,386
Realized losses	3,457,409	4,482,832	3,070,756

Commodity export.—The Corporation promotes the export of agricultural commodities and products through sales, barter, payments, and other operations. Other than in barter for stockpiling purposes, such commodities and products may be those held in private trade channels as well as those acquired by the Corporation. This program is carried out under the authority contained in the Corporation's charter, particularly section 5 (d) and (f), and in accordance with specific statutes where applicable. Export sales for foreign currencies or on long-term credit are financed by the Corporation under the Agricultural Trade Development and Assistance Act of 1954, as amended, although such sales of commodities owned by the Corporation may also be made under its charter authority.

The activities described below are illustrative of those conducted under this program during 1973. With respect to barter, the emphasis is on exports in connection with various types of offshore procurement of materials and services needed by the Department of Defense, the Agency for International Development, and other agencies, for which they pay the Corporation. Commodities available for barter vary from time to time.

When necessary to encourage export movement from free-market supplies, as well as from its own stocks, the Corporation makes payments on exports of agricultural commodities. The rate of payment generally is the difference between the prevailing world export sales price and the domestic market price. Except for old crop tobacco and some carryover from 1973 wheat contracts, it is not anticipated that payments will be required during fiscal year 1974. However, if payments for wheat and rice are needed to make these commodities competitive in the world markets, they will be reinstituted.

To help develop or expand foreign markets, the Corporation may furnish farm commodities and products for samples or exhibits at international trade fairs and for use abroad in testing consumer acceptance and commercial market potentials.

To maximize exports of agricultural commodities, including products thereof, the Corporation conducts an export credit sales program under which it finances, for a

period of not to exceed 3 years, commercial export credit sales by exporters of agricultural commodities obtained either from Corporation inventories or from private stocks. These commercial transactions are financed under the Corporation's charter authority and section 4 of the Food for Peace Act (7 U.S.C. 1707a) and are to be distinguished from the long-term credit contracts involving foreign assistance authorized by the Agricultural Trade Development and Assistance Act of 1954, as amended. Section 4 of the Food for Peace Act authorized appropriations to reimburse the Corporation annually for its actual costs incurred or to be incurred under this program. Under its charter authority, the Corporation plans to sell time drafts on the export credit sale receivables in the commercial financial market. These will be contingent liabilities guaranteed by the Corporation.

Storage facilities.—The Corporation conducts a program to provide storage adequate to fulfill its program needs. This program is conducted pursuant to sections 4 (h) and (m), and 5 (a) and (b) of the charter.

The Corporation has authority to buy bins (in storage-short areas) and equipment for the care and storage of commodities owned by the Corporation or under its control. This authority to purchase bins has not been exercised since 1956. The Corporation has now reduced its storage capacity from 990 million bushels in 1957 to 295 million bushels on June 30, 1972. The Corporation makes loans for the purchase, building, or expanding of facilities for storage and care of commodities on the farm and sells, to producers and others, bins needed for the storage of agricultural commodities. Bins sold by the Corporation may be those acquired for resale for such storage or those which are no longer required by the Corporation for the storage of its own commodities. Public Law 89-758 permits the sale of grain storage facilities no longer needed for such program use to public and private nonprofit agencies and organizations. The Corporation may also provide storage use guarantees to encourage building of commercial storage, and undertake other operations necessary to provide storage adequate to carry out the Corporation's programs.

Section 805 of the Agricultural Act of 1970 authorized the Secretary to make or guarantee loans for construction of farm storage facilities for baled hay from diverted or set-aside acreage. This program will be conducted through the ASCS county committees and be financed with capital funds of the Corporation.

Supply and foreign purchase.—The Corporation procures from domestic and foreign sources food, agricultural commodities, and products and related materials to supply the needs of Federal agencies, foreign governments, and private and international relief agencies. It similarly procures or aids in the procurement of such foods, commodities, products, and material for sale to meet domestic requirements during periods of short supply or during such other times as will stabilize prices or facilitate distribution. Through purchases, loans, sales, or other means the Corporation may also make available materials and facilities needed for the production and marketing of agricultural commodities. This program is conducted under section 5 (b) and (c) of the Commodity Credit Corporation Charter Act.

Purchases for other Federal agencies of commodities not in the Corporation's support stocks has been the main activity. Purchases of limited quantities of breeder, foundation, and registered seeds of improved varieties of grasses and legumes are made through production con-

tracts in order to assure supplies thereof for farmers. No foreign purchases have been made in recent years.

Section 4 of the act of July 16, 1943 (15 U.S.C. 713a-9), requires that the Corporation be fully repaid from funds of such agencies for services performed, losses sustained, operating costs incurred, or commodities bought or delivered to or on behalf of any other Federal agency. Operations not subject to section 4 may involve losses if such are necessary to the accomplishment of the objectives of the particular operation.

Wheat certificate program.—The Agricultural Adjustment Act of 1938, as amended by the Agricultural Act of 1970, authorizes a wheat certificate program for the 1971, 1972, and 1973 crops to be conducted by the Secretary through the Corporation. Domestic marketing certificates are to be issued to participating farmers which may be sold at face value to the Corporation. Processors of wheat are required to buy domestic certificates equivalent to the number of bushels of wheat used in the manufacture of food products. The Corporation is to sell certificates at a cost of 75 cents per bushel. While existing law provides for the acquisition of export marketing certificates by wheat exporters, the Agricultural Act of 1970 authorizes the Secretary to suspend this requirement for the period July 1, 1971, through June 30, 1974. The requirement has been suspended under this provision by law.

Set-aside program.—The Agricultural Act of 1970 authorizes the Secretary to conduct through the Corporation, set-aside programs on the 1971, 1972, and 1973 crops of wheat, feed grains, and upland cotton if he determines that otherwise the total supply of agricultural commodities will likely be excessive. If a set-aside is in effect for any such commodity, producers must, as a condition of eligibility for loans, purchases, payments, and certificates (in the case of wheat) on such commodity, set aside and devote to approved conservation uses specified acreages of cropland and otherwise comply with program requirements. Participants in the 1973 set-aside program are eligible for a small additional payment for permitting public access to set-aside acreage.

Land diversion payments.—To assist in adjusting the acreage of commodities to desirable goals, the Secretary is authorized by the Agricultural Act of 1970 to make land diversion payments, through the Corporation, to producers who devote to approved conservation uses acreages of cropland in addition to those required to be so devoted under the set-aside programs.

Cotton research and promotion.—Under section 610 of the Agricultural Act of 1970, the Corporation, through the Cotton Board, and upon approval of the Secretary, is authorized to enter into agreements for cotton market development, research, and sales promotion programs, programs to aid in the development of new and additional markets, marketing facilities, and uses for cotton and cotton products, and programs to facilitate the utilization and commercial application of cotton research findings. Each year the amount available for such programs shall be the sum of amounts, not exceeding \$10 million, which are not paid to cotton producers because of statutory payment limitations. For each of the 1972 and 1973 crops, an additional amount, not exceeding \$10 million may be used by the Secretary for such programs from funds available for payments on 1972 and 1973 crop cotton.

Loan operations.—The following table reflects loan operations of the Corporation which apply to the preceding programs (in thousands of dollars):

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

Item	1972 actual	1973 estimate	1974 estimate
Loans outstanding, gross, start of year:			
Commodity Credit Corporation.....	2,008,262	2,486,226	1,833,672
Add loans made.....	2,801,114	2,035,008	2,316,007
Deduct:			
Loans repaid.....	2,084,629	2,439,359	2,066,619
Acquisition of loan collateral.....	157,113	152,261	173,416
Writeoffs.....	81,408	95,942	103,139
Total loans outstanding, gross, end of year, Commodity Credit Corporation.....	2,486,226	1,833,672	1,806,505
Allowance for losses.....	-9,711	-6,582	-6,712
Loans receivable, net (support and storage facilities).....	2,476,515	1,827,090	1,799,793

Inventory operations.—The following table reflects the inventory operations applicable to the preceding programs (in thousands of dollars):

AGRICULTURAL COMMODITIES

Item	1972 actual	1973 estimate	1974 estimate
On hand, start of year, gross.....	1,207,879	1,090,095	382,370
Acquisitions:			
Forfeiture of loan collateral.....	157,113	152,261	173,416
Excess of collateral acquired over loans canceled.....	23,034	27,827	22,865
Purchases.....	766,458	639,520	554,668
Transfers and exchanges, net.....	-3,795	4,104	4
Carrying charges:			
Charges to inventory.....	3,965	7,400	4,600
Storage and handling.....	(121,300)	(74,896)	(37,432)
Transportation.....	(67,210)	(130,312)	(35,619)
Total acquisitions.....	946,775	831,112	755,553
Dispositions:			
Donations to:			
Families.....	124,731	108,300	93,122
Institutions.....	31,986	41,347	40,517
School lunch.....	111,251	156,800	156,800
Total donations.....	267,968	306,447	290,439
Sales and transfers:			
Barter: for offshore procurement.....	558		
Special programs:			
Title II, Public Law 480.....	403,519	294,500	198,000
Migratory waterfowl feed and game birds.....	26	54	40
Total special programs.....	403,545	294,554	198,040
Other sales.....	394,776	1,084,303	202,213
Net loss or gain (—) on sales and transfers.....	-2,288	-146,467	25,650
Total sales and transfers.....	796,591	1,232,390	425,903
Total dispositions.....	1,064,559	1,538,837	716,342
On hand, end of year, gross.....	1,090,095	382,370	421,581
Allowance for losses.....	-142,316	-49,938	-55,058
On hand, end of year, net.....	947,779	332,432	366,523

Administrative expenses.—Administrative expenses are for the services of: The Agricultural Stabilization and Conservation Service, the Agricultural Marketing Service, the Export Marketing Service and other agencies of the Department engaged in the Corporation's activities; the General Accounting Office for audit; and the General Services Administration for space. Estimates for 1974

include a limitation of \$41.8 million on administrative expenses, including a reserve of not less than 7% for contingencies.

The requested authorization excludes administrative expenses in connection with the wool and mohair program under the National Wool Act of 1954, as amended, which are included with the cost of this program under special activities.

Nonadministrative expenses.—Expenses for acquisition, operation, maintenance, improvement, or disposition of property which the Corporation owns or in which it has an interest have been treated as program rather than administrative expenses. Such expenses include inspection, classing, and grading work performed on a fee basis by Federal employees or Federal- or State-licensed inspectors; work performed on a contract or fee basis by Agricultural Stabilization and Conservation county committees relating to CCC programs; and special services performed by other Federal agencies outside of this Department.

Most of these general nonadministrative expenses, including storage and handling, transportation, inspection, classing, and grading and resale payments are included in program costs, in the entry entitled "Storage, transportation, and other costs not included above", in the program and financing schedule. The item "Nonadministrative expense", which appears in the schedule, covers part of the expenses of county offices for work related to programs of the Corporation, other Agricultural Stabilization and Conservation Service expenses offset by revenue, custodian and agency expense of the Federal Reserve banks and lending agencies, and miscellaneous costs.

ASCS is planning the acquisition and installation of an advanced computer system containing a centralized data base of farm producer and ASCS farm program information, with on-line terminals in Washington and field offices. The equipment and software required for this new system will represent capital investment under the statutory authority of the Commodity Credit Corporation. It is contemplated that equipment will be delivered in fiscal year 1975. If ASCS leases the computer, rather than purchasing it, the additional cost would be shown in "Limitation on Administrative Expenses, CCC".

The Corporation receives reimbursements for grain requisitioned pursuant to Public Law 87-152 (7 U.S.C. 447-449) by the States from Corporation stocks to feed resident wildlife threatened with starvation, through the appropriation Reimbursement for net realized losses. The Corporation also obtains recovery through this appropriation for the funds transferred to the Agricultural Research Service pursuant to the Department of Agriculture and Related Agencies Appropriation Act of 1964, for cost of production research and other related research designed to reduce surplus commodities held by the Corporation.

SPECIAL ACTIVITIES

These activities are carried out under authority of section 5(g) of the Corporation's Charter Act and specific statutory authorizations or directives with respect thereto which are currently in effect or which may subsequently be enacted.

A summary of such current activities not included under other designated activities is as follows (in thousands of dollars):

Item	1974 estimate	
	Gross obligations	Outlays (reimbursable)
(1) Sale of agricultural commodities for foreign currencies.....	-----	-189,600
(2) Sale of agricultural commodities for dollars on credit terms.....	853,300	689,600
(3) Commodities supplied in connection with dispositions abroad.....	266,200	266,200
(4) Bartered materials for supplemental stockpile.....	-----	-----
(5) Military housing (barter and exchange).....	-----	-----
(6) National Wool Act.....	42,304	42,304
(7) Grain for migratory waterfowl feed.....	40	-----
(8) Surplus grain for migratory birds.....	-----	-----
(9) Grading and classing activities ¹	-----	-----
(10) Research to increase domestic consumption of farm commodities ¹	-----	-----
(11) Defense activities ¹	-----	-----
(12) Transfer of long-staple cotton from national stockpile for sale by Commodity Credit Corporation.....	-----	-----
(13) Loans for rural environmental assistance.....	-----	-----
(14) Use of CCC facilities for ASCS programs:	-----	-----
(a) Conservation reserve program ¹	-----	-----
(b) Cropland conversion, rural environmental assistance, and emergency conservation measures programs ¹	-----	-----
(c) Cropland adjustment program ¹	-----	-----
(d) Appalachia regional conservation program ¹	-----	-----
(e) Sugar program ¹	-----	-----
(f) County office expenses ¹	-----	-----
(g) Water Bank Act program ¹	-----	-----
(15) Purchases of dairy products under sec. 709 of the Food and Agriculture Act of 1965.....	-----	-----
(16) Loan for animal disease eradication ¹	-----	-----
Total.....	1,161,844	808,504

¹ Financial data included under respective appropriation item.

The Corporation receives appropriations or reimbursement for cost of these activities as described under each.

To the extent that sufficient appropriations are not provided in advance, expenditures under the Agricultural Trade Development and Assistance Act of 1954, as amended and investments in materials transferred to the supplemental stockpile, are made by the Corporation subject to reimbursement from subsequent appropriations authorized for such purpose.

Activities currently being carried out are as follows (see foreign assistance programs and special export program for details of items (1)–(4)):

(1) *Sale of agricultural commodities for foreign currencies (title I, Public Law 480).*

(2) *Sale of agricultural commodities for dollars on credit terms (title I, Public Law 480).*

(3) *Commodities supplied in connection with dispositions abroad (title II, Public Law 480).*

(4) *Bartered materials for supplemental stockpile.*

(5) *Military housing (barter and exchange).*—During 1957, a contract was completed for the disposition of Corporation-owned commodities valued at \$50 million for the construction of military housing in France with foreign currencies obtained from this transaction. 10 U.S.C. 2681(b) as amended, provides for annual payment to the Corporation by the Department of Defense until liquidation of the amounts due for foreign currencies obtained under Public Law 480 for military housing. It is estimated that \$2 million will be applied against the amounts due under the French housing transaction in each year. Beginning in 1967, the Treasury Department has classified this as a nonexpenditure transaction.

(6) *National Wool Act.*—Under the National Wool Act of 1954, as amended by the Agricultural Act of 1970,

support of prices of wool and mohair is mandatory. The Corporation makes payments to producers in order to bring the national average price received by all producers up to the support price required under the act.

COST OF THE NATIONAL WOOL ACT

[Dollars in thousands]

Item	1972 actual	1973 estimate	1974 estimate
Volume of marketings:			
Shorn wool (thousand pounds).....	168,800	149,100	141,300
Unshorn lambs (thousands cwt.).....	6,400	6,300	6,300
Mohair (thousand pounds).....	19,800	-----	-----
Amount of payments:			
Shorn wool.....	\$85,566	\$49,200	\$31,100
Unshorn lambs.....	17,244	8,300	5,500
Mohair.....	9,956	-----	-----
Promotional and advertising program ¹	(3,342)	(2,700)	(2,600)
Total payments.....	112,766	57,500	36,600
Administrative expense.....	2,475	2,475	2,475
Interest expense.....	1,304	3,485	3,229
Total.....	116,545	63,460	42,304

¹ Deductions from producer payments for promotional advertising and selected marketing development activities.

Total payments made under the National Wool Act cannot at any time exceed an amount equal to 70% of the accumulated totals, as of the same date, of the gross receipts from import duties collected on and after January 1, 1953, on wool and wool manufactures. Actual or estimated payments compared with this limitation are as follows (in thousands of dollars):

Item	1972 actual	1973 estimate	1974 estimate
70% of customs receipts on wool and wool manufactures, cumulative from Jan. 1, 1953, to end of preceding calendar year (est.).....	1,478,645	1,541,645	1,615,145
Cumulative incentive payments on marketings to end of preceding calendar year.....	908,967	966,467	1,003,067
Balance of limitation available for payments in succeeding marketing years.....	569,678	575,178	612,078

Funds of the Corporation are used to carry on this program. For the purpose of reimbursing the Corporation, section 705 of the act appropriates each fiscal year an amount equal to amounts expended by the Corporation during the preceding year and to amounts expended in prior fiscal years not previously reimbursed, but not to exceed an amount equal to 70% of the gross receipts from duties collected on wool and wool manufactures during the calendar year preceding the fiscal year.

Estimated costs and appropriations to the Corporation are indicated in the following table (in thousands of dollars):

Item	1972 actual	1973 estimate	1974 estimate
Due start of year.....	75,430	116,545	113,308
Costs for year:			
Program.....	115,241	59,975	39,075
Interest.....	1,304	3,485	3,229
Subtotal.....	116,545	63,460	42,304
Total due.....	191,975	180,005	155,612
Appropriations to Commodity Credit Corporation for the year.....	75,430	66,697	63,000
Due end of year.....	116,545	113,308	92,612

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

(7) *Grain for migratory waterfowl feed.*—To prevent damage of crops by migratory waterfowl, the Corporation is directed to furnish to the Secretary of the Interior (7 U.S.C. 442–445) such grain acquired through support operations and certified by the Corporation as available for such purposes or in such condition as to be undesirable for human consumption, as the Secretary of the Interior shall requisition. This appropriation item is included under that Department to reimburse CCC.

(8) *Surplus grain for migratory birds.*—Under Public Law 87–152, approved August 17, 1961 (7 U.S.C. 448) the Secretary of the Interior may requisition grain of the Corporation to feed starving migratory birds. This appropriation item is included under that Department to reimburse CCC.

(9) *Grading and classing activities.*—The Corporation may make advances to the Agricultural Marketing Service for classing and grading of agricultural commodities without charge to producers (7 U.S.C. 414a, 440). Such advances used for classing cotton and grading tobacco not placed under support loan are repaid from an appropriation of the Service.

(10) *Research to increase domestic consumption of farm commodities.*—The Department of Agriculture and Related Agencies Appropriation Act of 1964 authorized the transfer of not more than \$16 million from the appropriation. Removal of surplus agricultural commodities (sec. 32), to the Corporation to be used to increase domestic consumption of surplus farm commodities, and provided for the transfer for such purposes thereafter of such sums not in excess of \$25 million in any 1 year, as may be approved by Congress. The 1965 appropriation act authorized the transfer of \$12,175 thousand of section 32 funds for this purpose. The Corporation transfers such funds to the Agricultural Research Service and Cooperative State Research Service to conduct the required research.

(11) *Defense activities.*—Upon the declaration of a national emergency, the facilities, services, authorities, and funds of the Corporation may be used, as directed by the Secretary and in accordance with applicable provisions of law, to carry out responsibilities and functions assigned to the Secretary under the Defense Production Act of 1950, as amended, the Civil Defense Act, as amended, and such other defense legislation as may be enacted.

(12) *Transfer of long-staple cotton from national stockpile for sale by Commodity Credit Corporation.*—The act of July 10, 1957 (71 Stat. 290), authorized the transfer of 50,000 bales of domestically grown cotton from the national stockpile to the Corporation for sale. Also, about 219,000 bales of cotton, both American-Egyptian and foreign grown, in the stockpile were made available to the Corporation for disposition under Public Law 87–548, approved July 25, 1962. The cotton is not recorded as a Corporation asset. Proceeds less costs incurred, including administrative expenses, are covered into the Treasury as miscellaneous receipts from time to time. No interest is paid by the Corporation for the use of the money prior to covering. This program was closed out in 1971.

(13) *Loans for rural environmental assistance.*—Under section 391(c) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1391(c)), the Corporation advances funds to the Secretary in amounts not to exceed \$50 million annually to purchase conservation materials and services. Repayments of the loans plus interest are made

from balances of prior appropriations or from new funds appropriated for the rural environmental assistance program.

(14) *Use of CCC facilities for ASCS programs.*—Under the respective enabling legislation, the services, facilities, and authorities of the Corporation are used to make payments to producers under various programs administered by the Agricultural Stabilization and Conservation Service.

Among these programs are conservation reserve, cropland conversion, rural environmental assistance, cropland adjustment, Appalachia regional conservation, emergency conservation measures, the Sugar Act program and the Water Bank Act program.

(15) *Purchases of dairy products under sec. 709 of the Food and Agriculture Act of 1965.*—The Corporation, on behalf of the Secretary, purchases at market prices dairy products which are donated to meet the requirements for schools, domestic relief distribution, community action programs, and other programs as are authorized by law, when there are insufficient stocks of such products in the hands of the Corporation available for such purposes. This program is conducted under sec. 5(g) of the Corporation's Charter Act and sec. 709 of the Food and Agriculture Act of 1965. Costs incurred for this activity are included in the Corporation's net realized loss for which it is reimbursed annually by appropriation pursuant to Public Law 87–155.

(16) *Loan for animal disease eradication.*—Public Law 92–73, approved August 10, 1971, authorizes the Secretary to transfer from funds of agencies or corporations of the Department such sums as he deems necessary to be available in emergencies which threaten the livestock or poultry industries, for the arrest and eradication of contagious or infectious diseases of animals or poultry and for expenses in accordance with the act of February 28, 1947, as amended. During fiscal year 1972, \$12.5 million for exotic Newcastle disease was transferred from Commodity Credit Corporation funds. In 1973, an additional \$28.0 million for exotic Newcastle disease, and \$5.7 million for hog cholera emergency operations are estimated to be transferred, with reimbursement in 1974, from funds appropriated to the Animal and Plant Health Inspection Service.

FINANCING

Borrowing authority.—The Corporation has an authorized capital stock of \$100 million held by the United States and authority to borrow up to \$14.5 billion.

Funds are borrowed from Treasury and may also be borrowed from private lending agencies and others. The Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made or held by lending agencies or other financial institutions or certificates of interest issued in connection with the financing of its operations. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the act of March 8, 1938 (15 U.S.C. 713a–4).

Interest on borrowings from the Treasury (and on capital stock) is paid at a rate based upon the average interest rate of all outstanding marketable obligations (of comparable maturity date) of the United States as of the preceding month. Interest is also paid on certificates of interest and lending agency obligations for the period the agencies have their funds invested.

The Department of Agriculture and Related Agencies Appropriation Act, 1966, made provision for terminating

interest after June 30, 1964, on the portion of the Corporation's borrowings from the Treasury equal to the unreimbursed realized losses recorded on the books of the Corporation after June 30 of the fiscal year in which such losses are realized.

The computation of the transfer from interest-bearing to non-interest-bearing capital is (in thousands of dollars):

Item	1972 actual	1973 estimate	1974 estimate
Realized deficit not previously reimbursed, start of year.....	8,271,283	7,515,361	7,940,241
Less appropriations for year.....	4,213,331	4,057,952	3,457,409
Total non-interest-bearing, end of year.....	4,057,952	3,457,409	4,482,832

On the basis of the budgetary assumptions, the estimated requirements indicate no need for an increase in borrowing authority. Since there are so many uncontrollable factors involving crops which have not even been planted, it must be recognized that estimates are highly tentative.

POSITION WITH RESPECT TO BORROWING AUTHORITY AS OF JUNE 30

[In thousands of dollars]

Item	1972 actual	1973 estimate	1974 estimate
Statutory borrowing authority.....	14,500,000	14,500,000	14,500,000
Deduct:			
Borrowings from Treasury.....	11,501,010	10,809,548	10,067,191
Contingent liabilities for short-term export credits (guaranteed by Commodity Credit Corporation).....		300,535	968,249
Accrued interest on above contingent liabilities.....		9,767	62,936
Total statutory borrowing authority in use.....	11,501,010	11,119,850	11,098,376
Net statutory borrowing authority available.....	2,998,990	3,380,150	3,401,624

Note.—A sufficient amount of the borrowing authority is required to be reserved to cover obligations to purchase notes and certificates of interest held by financial institutions and accrued interest thereon. Such obligations, however, as well as accounts payable, accrued liabilities and other outstanding obligations not reflected on this table, do not become charges against the statutory borrowing authority until they result in borrowings from the Treasury.

Contract authority.—Support and other programs required by statute may result in the Corporation incurring obligations in excess of available funds and borrowing authority. Such obligations are liquidated from subsequent appropriations and other funds which may become available to the Corporation. Any increase in obligations in excess of available fund resources is reported as contract authority in the year involved; a decrease is reported as the application of appropriations and other funds to liquidate the authority. The budget reflects a net increase of \$317 million in 1972, a decrease of \$790 million in 1973, and none in 1974.

Appropriations.—Under section 2 of Public Law 87-155 (15 U.S.C. 713a-11), annual appropriations are authorized for each fiscal year to reimburse the Corporation for net realized losses incurred as of the close of each year.

The realized losses for 1972 subject to reimbursement were \$3,457 million, and the cumulative losses not yet appropriated for were \$7,515 million. An appropriation of \$3,457 million would provide sufficient funds for the operations described for 1974. It would also leave a desirable operating margin to assure flexibility of operations in view of the volume of transactions handled.

The special activities are financed as indicated in the program description above. In addition to certain reimbursements from other agencies, appropriations are made for the National Wool Act (see above) and for foreign assistance and special export programs (see that heading on p. 141).

Deficit.—The net realized losses of the Corporation have previously been reimbursed as follows (in thousands of dollars):

SUPPORT AND RELATED PROGRAMS

Realized losses, 1933 to 1972, inclusive.....	52,105,226
Reimbursements by the Treasury:	
Reimbursements of realized losses:	
Appropriations (24 times).....	41,255,080
Note cancellations (6 times).....	2,697,807
Less dividends paid to Treasury (4 times).....	-138,209
Total reimbursements for net realized losses.....	43,814,678
Other reimbursements:	
Appropriations (2 times).....	541,916
Note cancellation (1 time).....	56,239
Total other reimbursements.....	598,155
Reimbursement for costs of special milk (net).....	177,032
Total.....	44,589,865
Realized deficit as of June 30, 1972, support and related programs.....	7,515,361

SPECIAL ACTIVITIES

Realized losses, 1948 to 1972, inclusive.....	19,300,471
Excess amounts appropriated to reimburse cost of special activities.....	288,688
Reimbursements by the Treasury:	
Appropriations (24 times).....	18,712,084
Note cancellations (4 times).....	536,518
Total reimbursements.....	19,248,602
Realized deficit as of June 30, 1972, special activities.....	340,557

Capital and deficit, special activities.—Advances to the Corporation in excess of costs incurred, and costs incurred in excess of advances received are shown in the following table (in thousands of dollars):

Foreign assistance and special export programs: Public Law 480:	Excess of funds held by CCC				Deficit requiring subsequent funds			
	1971	1972	1973	1974	1971	1972	1973	1974
Title I: Sale of agricultural commodities for foreign currencies and for dollars on credit terms.....		288,674	210,949		109,078			
Title II: Commodities supplied in connection with dispositions abroad.....					153,460	224,012	98,387	
Subtotal.....		288,674	210,949		262,538	224,012	98,387	
Deficit financed by CCC or excess funds held (—).....					(262,538)	(-64,662)	(-112,562)	
Increase or decrease (—) in amount owed by general fund for foreign assistance and special export programs.....					(215,745)	(-327,200)	(-47,900)	(112,562)
Other programs: National Wool Act.....					75,430	116,545	113,308	92,612
Grain for migratory waterfowl feed (Interior).....	7	14						
Subtotal.....	7	14			75,430	116,545	113,308	92,612
Total.....	7	288,688	210,949		337,968	340,557	211,695	92,612

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
SUPPORT AND RELATED PROGRAMS			
Revenue.....	1,311,150	1,889,166	946,391
Expense.....	4,768,559	6,371,998	4,017,147
Net realized losses.....	-3,457,409	-4,482,832	-3,070,756
Increase or decrease (—) in provisions for losses (unrealized):			
On commodities for sale.....	-22,999	92,378	-5,120
On loans receivable.....	3,207	3,129	-130
On accounts receivable.....	380	-2	817
Net loss for the year, support and related programs.....	-3,476,821	-4,387,327	-3,075,189
SPECIAL ACTIVITIES			
Revenue.....	301,124	406,840	353,340
Received from appropriations:			
Decrease in unearned receipts.....	-288,681	77,739	210,949
Earned revenue.....	12,443	484,579	564,289
Expense.....	1,410,862	1,317,414	1,161,844
Net realized loss, special activities.....	-1,398,419	-832,835	-597,555
Net loss for the year.....	-4,875,240	-5,220,162	-3,672,744

Financial Condition (in thousands of dollars)

	1971 actual	1972 actual	1973 est.	1974 est.
Assets:				
Drawing account with Treasury.....	73,128	115,693	119,312	84,312
Investment in agency securities.....	65,216	59,215	53,215	47,215
Accounts receivable: Support and related programs (net of provision for losses).....	375,419	262,226	262,224	229,699
Selected assets: Support and related programs: ¹				
Commodities for sale, net of provision for losses: Agricultural commodities.....	1,088,562	947,779	332,432	366,523
Deferred and undistributed charges.....	3,541	4,315	4,315	4,315
Acquired securities and collateral, net of provision for losses.....	13,805	7,048	7,048	7,048
Interest in amounts due from foreign governments and private trade entities under Public Law 480.....	2,269,155	2,729,935	3,345,091	4,063,116
Loans receivable, net of provision for losses:				
Support and storage facility loans (held by Commodity Credit Corporation).....	1,981,539	2,469,467	1,820,042	1,792,745
Special activities (loan for rural environmental assistance).....	27,200			
Loans to other Government agencies.....		30,500	46,200	
Export credit sales program.....	488,970	581,868	899,868	307,868
Fixed assets, net.....	11,542	7,854	1,177	1,282
Total assets.....	6,398,077	7,215,900	6,890,924	6,904,123
Liabilities:				
Current liabilities:				
Support and related programs.....	799,353	609,964	639,687	386,864
Special activities: Obligation to finance research.....	308	364	223	223
Deferred interest in amounts due from foreign governments and private trade entities under Public Law 480.....	2,269,155	2,729,935	3,345,091	4,063,116
Total liabilities.....	3,068,816	3,340,263	3,985,001	4,450,203
Government equity:				
Obligations other than liabilities: ¹				
Support and related programs:				
Obligations to purchase loans or certificates held by lending agencies ²	2,615,693	3,466,423	2,348,858	2,318,128
Other commitments.....				
Total obligations other than liabilities, support and related programs.....	2,615,693	3,466,423	2,348,858	2,318,128
Special activities: Letters of commitment for Public Law 480.....	94,240	149,750	186,290	187,214
Total obligations other than liabilities.....	2,709,933	3,616,173	2,535,148	2,505,342
Other obligations, net.....	359,026	288,887	324,471	110,173
Unobligated balance.....			950,145	1,901,606
Total unexpended balance.....	3,068,959	3,905,060	3,809,764	4,517,121
Undrawn authority to expend public debt receipts and contract authority.....	-2,995,831	-3,789,367	-3,690,452	-4,432,809
Total fund balance.....	73,128	115,693	119,312	84,312

Invested capital and earnings.....	3,256,133	3,759,944	2,786,611	2,369,608
Total Government equity.....	3,329,261	3,875,637	2,905,923	2,453,920

¹ The change in this item is reflected on the program and financing schedule.

² A sufficient amount of the borrowing authority is required to be reserved to cover obligations to purchase notes and certificates of interest held by financial institutions and accrued interest thereon. Such obligations, however, as well as accounts payable, accrued liabilities, and other outstanding obligations not reflected on this table, do not become charges against the statutory borrowing authority until they result in borrowings from the Treasury.

NOTES

In addition to obligations other than liabilities, the Corporation does not reflect in its accounts claims by the Corporation on which adequate proof has not been established.

This statement excludes contingent liabilities for short-term export credits guaranteed by the Commodity Credit Corporation in principal amounts at June 30, 1973, \$300,535 thousand; 1974, \$968,249 thousand.

Analysis of Changes in Government Equity (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Support and related programs:			
Interest-bearing capital (including \$100 million capital stock balance):			
Start of year.....	7,863,906	7,543,058	7,452,139
Transfer to/from non-interest-bearing status.....	155,379	600,543	-1,025,423
Borrowings from treasury (net).....	-476,227	-691,462	-742,357
End of year.....	7,543,058	7,452,139	5,684,359
Non-interest-bearing capital:			
Start of year.....	4,213,331	4,057,952	3,457,409
Transfer to/from interest bearing status.....	-155,379	-600,543	1,025,428
End of year.....	4,057,952	3,457,409	4,482,832
Subtotal, capital and borrowings, end of year, support and related programs.....	11,601,010	10,909,548	10,167,191
Special activities: Non-interest-bearing capital:			
Start of year.....	7	288,688	210,949
Change in unearned receipts from appropriation.....	288,681	-77,739	-210,949
End of year.....	288,688	210,949	-----
Total capital, end of year.....	11,889,698	11,120,497	10,167,191
Support and related programs:			
Analysis of deficit:			
Deficit: Start of year.....	-8,410,014	-7,673,504	-8,002,879
Net loss for the year.....	-3,476,821	-4,387,327	-3,075,189
Appropriations (net): Reimbursement for net realized losses.....	4,213,331	4,057,952	3,457,409
Deficit: End of year:			
Realized.....	-7,515,361	-7,940,241	-7,553,588
Unrealized.....	-158,143	-62,638	-67,071
Total deficit, end of year, support and related programs.....	-7,673,504	-8,002,879	-7,620,659
Special activities:			
Analysis of deficit:			
Deficit, start of year, realized.....	-337,968	-340,557	-211,695
Net loss for the year.....	-1,398,419	-832,835	-597,555
Appropriation: National Wool Act.....	75,430	66,697	63,000
Advances from foreign assistance programs and special export programs.....	1,320,400	895,000	653,638
Deficit, end of year: Realized, special activities.....	-340,557	-211,695	-92,612
Total deficit, Commodity Credit Corporation.....	-8,014,061	-8,214,574	-7,713,271
Total Government equity (end of year).....	3,875,637	2,905,923	2,453,920

Object Classification (in thousands of dollars)

Identification code 05-66-4336-0-3-351	1972 actual	1973 est.	1974 est.
22.0 Transportation of things.....	257,719	292,812	153,319
25.0 Other services.....	78,144	79,975	75,851
25.0 Storage and handling.....	189,304	161,827	75,328
26.0 Supplies and materials: Cost of commodities sold or donated:			
Foreign assistance programs and special export program.....	1,100,781	1,087,400	1,000,800
Other.....	1,087,601	1,446,513	721,502
31.0 Equipment.....	516	950	1,100
33.0 Investments and loans.....	3,228,806	2,970,008	2,941,007
41.0 Grants, subsidies, and contributions.....	2,988,079	3,969,487	2,708,500
43.0 Interest and dividends.....	375,886	421,544	305,054
93.0 Administrative expenses (see separate schedule).....	39,983	37,034	38,856
Total costs, funded.....	9,346,819	10,467,550	8,021,317
94.0 Change in selected resources.....	766,231	-1,696,372	4,285
99.0 Total obligations.....	10,113,050	8,771,178	8,025,602

Public enterprise funds—Continued

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed **[\$39,900,000]** \$41,800,000 shall be available for administrative expenses of the Commodity Credit Corporation: *Provided*, That \$945,000 of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof. (15 U.S.C. 714-714p; 31 U.S.C. 841-871; *Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Program by activities:			
Support, export, and related activities (program costs, funded).....	39,905	37,034	38,856
Changes in selected resources ¹	78	-----	-----
Total obligations.....	39,983	37,034	38,856
Financing:			
Unobligated balance lapsing.....	217	-----	-----
Reserve for contingencies.....	-----	2,866	2,944
Limitation.....	40,200	39,900	41,800

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$60 thousand; 1972, \$138 thousand; 1973, \$138 thousand; 1974, \$138 thousand.

Object Classification (in thousands of dollars)

Identification code 05-66-4336-0-3-351	1972 actual	1973 est.	1974 est.
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COMMODITY CREDIT CORPORATION

25.0 Other services: advanced to:			
Salaries and expenses, Agricultural Stabilization and Conservation Service.....	33,386	30,347	31,985
Marketing Services, Agricultural Marketing Service.....	2,800	2,857	3,041
93.0 Administrative expenses included in schedule for funds as a whole.....	-36,186	-33,204	-35,026
Total obligations, Commodity Credit Corporation.....	-----	-----	-----

ALLOCATION TO EXPORT
MARKETING SERVICE

Personnel compensation:			
11.1 Permanent positions.....	2,913	2,878	2,828
11.3 Positions other than permanent.....	12	18	18
Total personnel compensation.....	2,925	2,896	2,846
12.1 Personnel benefits: Civilian.....	240	237	245
21.0 Travel and transportation of persons.....	65	64	79
23.0 Rent, communications, and utilities.....	92	90	90
24.0 Printing and reproduction.....	30	65	65
25.0 Other services.....	419	413	440
26.0 Supplies and materials.....	13	35	35
31.0 Equipment.....	13	30	30
93.0 Administrative expenses included in schedule for funds as a whole.....	-3,797	-3,830	-3,830
Total obligations, Export Marketing Service.....	-----	-----	-----
99.0 Total obligations.....	-----	-----	-----

Personnel Summary

Total number of permanent positions.....	214	194	183
Full-time equivalent of other positions.....	2	2	2
Average paid employment.....	185	182	172
Average GS grade.....	9.6	9.6	9.6
Average GS salary.....	\$15,680	\$16,291	\$16,460

RURAL DEVELOPMENT SERVICE

Federal Funds

General and special funds:

RURAL DEVELOPMENT SERVICE

For necessary expenses, not otherwise provided for, of the Rural Development Service in providing leadership and related services in carrying out the rural development activities of the Department of Agriculture, \$400,000: *Provided*, That not to exceed \$3,000 shall be available for employment under 5 U.S.C. 3109. (*Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-69-0800-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Program coordination and direction (total program costs, funded).....	170	394	400
Change in selected resources ¹	8	-----	-----
10 Total obligations.....	178	394	400
Financing:			
25 Unobligated balance lapsing.....	72	6	-----
40 Budget authority (appropriation)....	250	400	400
Relation of obligations to outlays:			
71 Obligations incurred, net.....	178	394	400
72 Obligated balance, start of year.....	-----	20	59
74 Obligated balance, end of year.....	-20	-59	-99
90 Outlays.....	158	355	360

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$0; 1972, \$8 thousand; 1973, \$8 thousand; 1974, \$8 thousand.

The Service provides general staff leadership and other services in carrying out departmental programs involving rural development.

Object Classification (in thousands of dollars)

Identification code 05-69-0800-0-1-355	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	120	155	155
11.3 Positions other than permanent.....	-----	60	60
Total personnel compensation.....	120	215	215
12.1 Personnel benefits: Civilian.....	10	25	25
21.0 Travel and transportation of persons.....	18	29	35
22.0 Transportation of things.....	-----	5	5
23.0 Rent, communications and utilities.....	2	5	5
24.0 Printing and reproduction.....	11	15	15
25.0 Other services.....	16	91	91
26.0 Supplies and materials.....	-----	3	3
31.0 Equipment.....	2	6	6
99.0 Total obligations.....	178	394	400

Personnel Summary

Total number of permanent positions.....	8	8	8
Average paid employment.....	6	7	7
Average GS grade.....	11.6	11.6	11.6
Average GS salary.....	\$19,278	\$19,319	\$19,319

RURAL ELECTRIFICATION ADMINISTRATION

Federal Funds

General and special funds:

[To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-924; Public Law 92-12), as follows:]

LOANS

[For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3(a) of said Act, and to remain available without fiscal year limitation in accordance with section 3(e) of said Act, as follows: rural electrification program, \$595,000,000, which shall include \$107,000,000 available but unused in 1972, and rural telephone program, \$145,000,000.] (Public Law 92-399, Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-72-3197-0-1-352	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Rural electrification.....	418,484	485,000	300,000
2. Rural telephone.....	132,368	134,000	75,122
Total program costs, funded....	550,852	619,000	375,122
Change in selected resources ¹	21,066	-335,028	-375,122
10 Total obligations (object class 33.0).....	571,918	283,972	-----
Financing:			
17 Recovery of prior year obligations....	-1,410	-----	-----
21.47 Unobligated balance available, start of year (authority to spend public debt receipts).....	-8,408	-107,000	-456,028
24.47 Unobligated balance available, end of year (authority to spend public debt receipts).....	107,000	456,028	456,028
47 Budget authority (authority to spend public debt receipts)....	669,100	633,000	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	570,508	283,972	-----
72.47 Obligated balance, start of year (authority to spend public debt receipts).....	1,063,266	1,082,922	747,894
74.47 Obligated balance, end of year (authority to spend public debt receipts).....	-1,082,922	-747,894	-372,772
90 Outlays.....	550,852	619,000	375,122

¹ Selected resources as of June 30 are as follows: Undisbursed loan obligations, 1971, \$1,063,266 thousand (1972 adjustments, -\$1,410 thousand); 1972, \$1,082,922 thousand; 1973, \$747,894 thousand; 1974, \$372,772 thousand.

The Administration conducts two capital investment programs: (a) The rural electrification program to provide electric service to farms and other rural establishments; and (b) the rural telephone program to furnish and improve telephone service in rural areas.

1. *Rural electrification.*—This capital investment program is financed through direct loans which are made for the construction and operation of generating plants, electric transmission and distribution lines on systems in rural areas. The loans must be repaid within a period not to exceed 35 years.

Loans are also made for shorter periods of time to electrification borrowers to be reloaned to their consumers for the purpose of financing the wiring of premises and the acquisition and installation of electrical and plumbing appliances and equipment.

Direct loans from funds borrowed from the Secretary of the Treasury are being discontinued in favor of guaranteed and insured loans on January 1, 1973. The financing for these loans will be provided in the Rural Develop-

ment Insurance Fund which is reflected in the budget for the Farmers Home Administration. This program change permits considerably higher loan levels than would otherwise be possible since private lenders will be providing the credit thereby substantially reducing the outlay impact.

The 1974 budget request reflects the availability of supplemental financing from the National Rural Utilities Cooperative Finance Corporation and other sources in fiscal years 1973 and 1974 to satisfy a part of the capital requirements of the rural electric systems.

STATUS OF THE ELECTRIFICATION PROGRAM

Electrification Loan Levels

[In thousands of dollars]

Loan level:	1972 actual	1973 estimate	1974 estimate
Under Rural Electrification Act ¹	438,253	228,000	-----
Under Consolidated Farm and Rural Development Act ²	-----	390,000	618,000
Total electric loans.....	438,253	618,000	618,000

¹ REA program and financing schedule.

² Program and financing described in Rural development insurance fund account, Farmers Home Administration.

Program Statistics¹

[Dollars in thousands]

Cumulative net loans.....	\$8,128,458	\$8,356,458	\$8,356,458
Cumulative funds advanced.....	\$7,293,975	\$7,778,975	\$8,078,975
Unadvanced funds, end of year.....	\$834,483	\$577,483	\$277,483
Cumulative principal repaid.....	\$2,560,819	\$2,714,019	\$2,876,919
Cumulative interest paid.....	\$1,302,754	\$1,407,154	\$1,515,654
Cumulative miles energized—calendar year (thousands) estimated.....	1,725	1,750	1,775
Cumulative consumers served—calendar year (thousands) estimated.....	7,042	7,342	7,642
Number of borrowers.....	1,094	1,094	1,094

¹ REA Act program only.

2. *Rural telephone.*—This capital investment program is financed through direct loans which are made for construction, improvement, expansion, acquisition, and operation of telephone lines and facilities or systems to furnish and improve telephone service in rural areas. The loans must be repaid within a period not to exceed 35 years. These direct loans are being discontinued in favor of guaranteed and insured loans on January 1, 1973. The financing for these loans will be provided in the Rural development fund which is reflected in the budget for the Farmers Home Administration. This program change permits higher loan levels than would otherwise be possible since private lenders will be providing the credit thereby substantially reducing the budget impact.

The 1974 budget request reflects the availability of supplemental financing from the Rural telephone bank, using both appropriated funds for Government purchase of bank stock and borrowings from the Secretary of the Treasury.

STATUS OF THE TELEPHONE PROGRAM

Telephone Loan Levels

[In thousands of dollars]

Loan level:	1972 actual	1973 estimate	1974 estimate
Under Rural Electrification Act ¹	133,665	55,972	-----
Under Consolidated Farm and Rural Development Act ²	-----	89,000	140,000
Total, telephone loans.....	133,665	144,972	140,000

¹ REA program and financing schedule.

² Program and financing described in Rural development insurance fund account, Farmers Home Administration.

General and special funds—Continued

LOANS—Continued

Program Statistics¹

[Dollars in thousands]

Cumulative net loans	\$2,002,537	\$2,058,509	\$2,058,509
Cumulative funds advanced	\$1,754,097	\$1,888,097	\$1,963,219
Unadvanced funds, end of year	\$248,439	\$170,411	\$95,290
Cumulative principal repaid	\$327,346	\$369,146	\$414,346
Cumulative interest paid	\$242,085	\$272,185	\$303,685
Route miles of line constructed or improved, cumulative—calendar year (thousands) (estimated)	593	615	637
Dial subscribers, new and improved service, cumulative—calendar year (thousands) (estimated)	2,606	2,746	2,886
Number of borrowers	867	869	871

¹ REA Act program only.

SALARIES AND EXPENSES

For administrative expenses, to carry out the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C., 901-950(b)), and the Consolidated Farm and Rural Development Act, as amended, (86 Stat. 657-667), relating to electrification and telephone loans, including not to exceed \$500 for financial and credit reports, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 for employment under 5 U.S.C. 3109, \$16,720,000. (Public Law 92-399, Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-72-3100-0-1-352	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
1. Administration of rural electrification program	8,685	8,863	8,945
2. Administration of rural telephone program	7,684	7,704	7,775
Total direct program	16,369	16,567	16,720
Reimbursable program:			
Miscellaneous services to other accounts	41	25	25
Total program costs funded ¹	16,410	16,592	16,745
Change in selected resources ²	20		
10 Total obligations	16,430	16,592	16,745
Financing:			
Receipts and reimbursements from:			
11 Federal funds	-38	-18	-17
14 Non-Federal sources (40 U.S.C. 481(c))	-3	-7	-8
25 Unobligated balance lapsing	317	153	
40 Budget authority	16,706	16,720	16,720
Relation of obligations to outlays:			
71 Obligations incurred, net	16,389	16,567	16,720
72 Obligated balance, start of year	935	802	1,020
74 Obligated balance, end of year	-801	-1,020	-690
77 Adjustments to expired accounts	-6		
90 Outlays	16,516	16,349	17,050

¹ Includes capital outlay as follows: 1972, \$66 thousand; 1973, \$65 thousand; 1974, \$85 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$62 thousand (1972 adjustments, -\$6 thousand); 1972, \$76 thousand; 1973, \$76 thousand; 1974, \$76 thousand.

The Rural Electrification Administration makes loans for the extension and improvement of electric and telephone service in rural areas. Most electric loans are made concurrently with supplemental financing provided by the

National Rural Utilities Cooperative Finance Corporation (CFC) or other supplemental sources. Telephone loans are made by the REA or by the Rural Telephone Bank, established by Public Law 92-12. In some cases, concurrent loans will be made by the REA and by the telephone bank. The rural telephone bank partially or jointly utilizes the facilities and services of employees of the REA without cost to the bank. Concurrent loans in both programs, and the development of the rural telephone bank, has required the development and implementation of extensive new procedures for loan approval and advance of funds.

Assistance is provided to electrification borrowers and potential borrowers to negotiate for adequate supplies of power on reasonable terms. Business management and technical help is furnished borrowers where needed to protect the Government's loan security, to assure that construction and operation of their systems conform to approved standards, and that the systems will provide continuous and reliable service and facilitate the most effective use of resources to achieve program objectives.

Object Classification (in thousands of dollars)

Identification code 05-72-3100-0-1-352	1972 actual	1973 est.	1974 est.
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions	13,163	13,295	13,230
11.3 Positions other than permanent	114	115	115
11.5 Other personnel compensation	3	6	6
Total personnel compensation	13,279	13,416	13,351
12.1 Personnel benefits: Civilian	1,176	1,197	1,237
21.0 Travel and transportation of persons	1,029	1,003	1,111
22.0 Transportation of things	34	40	45
23.0 Rent, communications, and utilities	239	259	279
24.0 Printing and reproduction	166	182	192
25.0 Other services	332	353	363
26.0 Supplies and materials	46	52	57
31.0 Equipment	87	65	85
Total direct obligations	16,389	16,567	16,720
Reimbursable obligations:			
11.1 Personnel compensation: Permanent positions	35	16	16
12.1 Personnel benefits: Civilian	3	2	1
31.0 Equipment	3	7	8
Total reimbursable obligations	41	25	25
99.0 Total obligations	16,430	16,592	16,745

Personnel Summary

Total number of permanent positions	831	825	796
Full-time equivalent of other positions	11	11	11
Average paid employment	821	819	809
Average GS grade	10.3	10.1	10.1
Average GS salary	\$16,626	\$16,305	\$16,392

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocation from another account are included in the schedule of the parent appropriation as follows:
Farmers Home Administration, "Salaries and expenses."

Public enterprise funds:

CAPITALIZATION OF RURAL TELEPHONE BANK

For the purchase of Class A stock of the Rural Telephone Bank, \$30,000,000, to remain available until expended, to be derived from the net collection proceeds in the rural telephone account created under title III of the Rural Electrification Act, as amended [(7 U.S.C. 901-924, Public Law 92-12)] (7 U.S.C. 901-950(b)).

RURAL TELEPHONE BANK

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out its authorized programs for the current fiscal year. (*Public Law 92-399, Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-72-4231-0-3-352		1972 actual	1973 est.	1974 est.
Program by activities:				
Operating costs, funded:				
1. Administrative expenses	6	48	55	
2. Interest expenses			2,737	
3. Other costs	10	2		
Total operating costs, funded	16	50	2,792	
Capital outlay, funded: Loans	588	96,912	126,000	
Other funded costs: Dividends			28	
Total program costs, funded	604	96,962	128,820	
Change in selected resources ¹	90,378	29,082	23,994	
10 Total obligations	90,982	126,044	152,814	
Financing:				
Receipts and reimbursements from:				
Federal funds:				
Interest on U.S. securities	-8	-74	-73	
Discount on U.S. securities	-1	-44		
Non-Federal sources:				
Interest income on loans	-4	-2,025	-8,685	
Sale of class B stock	-133	-7,367	-6,000	
Sale of class C stock	-460	-40	-40	
21.48 Unobligated balance available, start of year: Authority to spend agency debt receipts		-184,391	-408,567	
24.48 Unobligated balance available, end of year: Authority to spend agency debt receipts	184,391	408,567	622,148	
27 Capital transfer to general fund		1	600	
Budget authority	274,767	340,671	352,197	
Budget authority:				
Current:				
40 Appropriation	30,000	30,000	30,000	
Permanent:				
68 Authority to spend agency debt receipts	244,767	310,671	322,197	
Relation of obligations to outlays:				
71 Obligations incurred, net	90,376	116,494	138,016	
Obligated balance, start of year:				
72.48 Authority to spend agency debt receipts		60,376	116,871	
72.98 Fund balance		29,984	2,066	
Obligated balance, end of year:				
74.48 Authority to spend agency debt receipts	-60,376	-116,871	-135,487	
74.98 Fund balance	-29,984	-2,066	-6,538	
90 Outlays	16	87,917	114,928	

¹ Balances of selected resources are identified on the statement of financial condition.

Public Law 92-12, approved May 7, 1971, amended the Rural Electrification Act, as amended, by providing for the establishment of a Rural Telephone Bank as a supplemental source of financing for the REA telephone loan program. Public Law 92-324, approved June 30, 1972, further amended the act to permit the Secretary of the Treasury to purchase the bank's debentures.

Capital for the Rural Telephone Bank is obtained through the sale of its stock to the U.S. Government and to borrowers of loan funds, and the sale of debentures to the Secretary of the Treasury, limited to eight times the paid-in capital and retained earnings of the bank. The legislation establishing the bank authorizes U.S. stock purchases totaling \$300 million, with up to \$30 million to be appropriated annually from net collection proceeds in the rural telephone account. This will require an appropriation of \$30 million in 1974. It is estimated that an additional \$7.7 million in capital will be obtained through the sale of stock to borrowers and retained earnings. Borrowings by the bank during the year are estimated at \$30 million in 1973 and \$90 million in 1974.

Bank loans bear interest rates at the highest rate consistent with the borrowers' ability to pay, but not less than 4%. Some borrowers receive concurrent loans from REA and from the telephone bank. Bank loans supplement the REA telephone loan program and enable borrowers to provide adequate and dependable telephone service to rural residents at a faster pace. It is estimated that the bank will make loans totaling \$126 million in 1973 and \$150 million in 1974.

Although the bank may partially or jointly use the personnel and facilities of REA and other agencies of the Department without cost to the bank until conversion to borrower control, there are certain operating costs which must be borne by the bank. The compensation and expenses of the eight members of the bank board who are not Federal employees or officers, and of officers and employees engaged solely on telephone bank activities and procurement for the bank, must be paid by the bank. In addition, the authorizing legislation specifies that the bank shall at no time be entitled to transmission of its mail free of postage.

STATUS OF THE RURAL TELEPHONE BANK

Program Financing

(In thousands of dollars)

	1972 actual	1973 estimate	1974 estimate
Budget authority:			
Appropriation for purchase of class A stock	30,000	30,000	30,000
Borrowing authority—maximum current year	244,767	310,671	322,197
New budget authority	274,767	340,671	352,197
Budget authority carried over from prior year		184,391	408,567
Total budget authority	274,767	525,062	760,764
Other funds available	606	9,550	14,798
Less returns on class A stock		-1	-600
Total funds available	275,373	534,611	774,962
Less:			
Loans approved	90,955	126,000	150,000
Operating expenses	27	44	2,814
Total obligation	90,982	126,044	152,814
Balance carried forward to next fiscal year	184,391	408,567	622,148

Program Statistics

(Dollars in thousands)

Cumulative loans	\$90,955	\$216,955	\$366,955
Cumulative loan funds advanced	\$588	\$97,500	\$223,500
Unadvanced loan funds, end of year	\$90,367	\$119,455	\$143,455
Cumulative interest paid (loans)	\$3	\$1,534	\$9,274
Cumulative operating costs	\$27	\$71	\$2,885
Number of borrowers	89	214	340

Public enterprise funds—Continued

RURAL TELEPHONE BANK—Continued

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Operating income or loss (—):			
Interest earned on loans to borrowers.....	4	2,025	8,685
Expenses.....	—6	—71	—2,846
Net operating income or loss (—).....	—2	1,954	5,839
Nonoperating income:			
Interest earned on U.S. securities.....	6	72	73
Expenses.....			
Net nonoperating income.....	6	72	73
Net income for the year.....	4	2,026	5,912
Net income reserved for dividends.....			28
Net income to private equity—retained earnings.....	3	1,426	4,234
Net income to private equity.....	3	1,426	4,262
Net income to Government equity—reserved for payment of return on class A stock.....	1	600	1,650
Total net income for year.....	4	2,026	5,912

Financial Condition (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Assets:			
Treasury balance.....	29,466	783	5,430
U.S. securities (par).....	518	1,283	1,108
Accounts receivable, net.....	16	481	1,421
Selected assets:			
Preoperating organization costs ¹	11	6	
Loans receivable, net.....	588	97,477	223,423
Total assets.....	30,598	100,030	231,382
Liabilities:			
Current:			
Accounts payable and accrued liabilities.....	2		
Dividends payable on class C stock.....			28
Long-term:			
Agency borrowings from U.S. Treasury.....		30,000	120,000
Total liabilities.....	2	30,000	120,028
Net equity:			
Privately owned equity:			
Capital stock, start of year.....		593	8,000
Stock sold.....	593	7,407	6,040
Capital stock, end of year.....	593	8,000	14,040
Retained earnings, start of year.....		3	1,430
Net income for year.....	3	1,427	4,262
Dividends on class C stock.....			—28
Retained earnings, end of year.....	3	1,430	5,664
Total privately owned equity.....	596	9,430	19,704
Government equity:			
Non-interest-bearing capital:			
Start of year.....		30,000	60,000
Stock acquired.....	30,000	30,000	30,000
End of year.....	30,000	60,000	90,000
Retained earnings reserved for return on capital:			
Start of year.....		1	600
Net income for year.....	1	600	1,650
Transfer to general fund.....		—1	—600
End of year.....	1	600	1,650

Total Government equity.....	30,001	60,600	91,650
Total net equity.....	30,597	70,030	111,354
Analysis of net equity and undrawn authorizations:			
Undisbursed loan obligations ¹	90,367	119,455	143,454
Unobligated balance.....	184,391	408,567	622,148
Undrawn agency debt authority.....	—244,767	—525,438	—757,635
Subtotal.....	29,991	2,584	7,968
Total invested capital and earnings.....	606	67,446	103,387
Total net equity.....	30,597	70,030	111,354

¹ The "Change in selected resources" entry on the program and financing schedule relate to these items.

Analysis of Change in Government Equity (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Non-interest-bearing capital:			
Start of year.....		30,000	60,000
Stock acquired.....	30,000	30,000	30,000
End of year.....	30,000	60,000	90,000
Retained earnings:			
Start of year.....		1	600
Net income for the year.....	1	600	1,650
Transfers to general fund.....		—1	—600
End of year.....	1	600	1,650
Total Government equity (end of year).....	30,001	60,600	91,650

Object Classification (in thousands of dollars)

Identification code 05-72-4231-0-3-352	1972 actual	1973 est.	1974 est.
11.3 Personnel compensation: Positions other than permanent.....	8	10	10
21.0 Travel and transportation of persons.....	6	10	10
23.0 Rent, communications, and utilities.....		4	6
24.0 Printing and reproduction.....	2	2	3
25.0 Other services.....	1	14	17
26.0 Supplies and materials.....		2	3
33.0 Investments and loans.....	90,965	126,002	150,000
43.0 Interest and dividends.....			2,765
99.0 Total obligations.....	90,982	126,044	152,814

FARMERS HOME ADMINISTRATION

Federal Funds

General and special funds:

RURAL WATER AND WASTE DISPOSAL GRANTS

For grants pursuant to sections 306(a)(2) and 306(a)(6) of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1926), \$150,000,000, to remain available until expended, pursuant to section 306(d) of the above Act, of which \$58,000,000 shall be derived from the unexpended balance of amounts appropriated under this head in the fiscal year 1972, largely to meet the expanding need for areas not now covered: *Provided*, That this appropriation shall be available only within the limits of amounts authorized by law for fiscal year 1973. (Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-75-2066-0-1-352	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Planning grants.....	3,442	1,300	933
2. Development grants.....	31,967	45,200	45,667
Total program costs, funded.....	35,409	46,500	46,600

Change in selected resources ¹	6,591	-16,500	-46,600
10 Total obligations (object class 41.0) ..	42,000	30,000	-----
Financing:			
21 Unobligated balance available, start of year	-----	-58,000	-120,000
24 Unobligated balance available, end of year	58,000	120,000	120,000
Budget authority (appropriation) ---	100,000	92,000	-----
Budget authority:			
40 Appropriation	44,000	92,000	-----
50 Reappropriation	56,000	-----	-----
Relation of obligations to outlays:			
71 Obligations incurred, net	42,000	30,000	-----
72 Obligated balance, start of year	70,878	77,066	60,566
74 Obligated balance, end of year	-77,066	-60,566	-13,966
77 Adjustment in expired accounts	-403	-----	-----
90 Outlays	35,409	46,500	46,600

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$70,878 thousand (1972 adjustment, -\$403 thousand); 1972, \$77,066 thousand; 1973, \$60,566 thousand; 1974, \$13,966 thousand.

Rural water and waste disposal grants.—This program is authorized by subtitle A of the Consolidated Farm and Rural Development Act. It provides for planning grants to be made to public and private bodies with authority to prepare comprehensive plans for the development of water or waste disposal systems in rural areas which do not have funds available for such planning. In addition, development grants are made to associations, including nonprofit corporations, public and quasi-public agencies, and certain Indian tribes to finance specific projects for the development, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas. The amount of the grant may not exceed 50% of the development cost of the project.

Development grants to associations may be made in connection with insured loans for water and waste disposal systems described under the Rural development insurance fund.

This program was among those selected for termination, reduction, or reform after a review of Federal programs to identify those that were of relatively low priority. As a result of this review, and as a result of new authorities provided in the clean water bill, this program is being terminated effective January 1, 1973. Applications which had been certified for approval by this date will be processed for approval and disbursement.

GRANT OBLIGATIONS

	1972 actual	1973 estimate	1974 estimate
Planning grants:			
Number of grants	155	41	-----
Amount of grants (thousands of dollars)	\$2,137	\$624	-----
Development grants:			
Number of grants	551	416	-----
Amount of grants (thousands of dollars)	\$39,863	\$29,376	-----

RURAL HOUSING FOR DOMESTIC FARM LABOR

For financial assistance to public nonprofit organizations for housing for domestic farm labor, pursuant to section 516 of the Housing Act of 1949, as amended (42 U.S.C. 1486), \$3,750,000, to remain available until expended. (Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-75-2004-0-1-352	1972 actual	1973 est.	1974 est.
Program by activities:			
Financial assistance for low-rent domestic farm labor housing (program costs, funded)	789	5,125	1,700

Change in selected resources ¹	5,894	-4,475	-1,700
10 Total obligations (object class 41.0) ..	6,683	650	-----
Financing:			
21 Unobligated balance available, start of year	-4,230	-47	-3,147
24 Unobligated balance available, end of year	47	3,147	3,147
40 Budget authority (appropriation)	2,500	3,750	-----
Relation of obligations to outlays:			
71 Obligations incurred, net	6,683	650	-----
72 Obligated balance, start of year	692	6,586	2,111
74 Obligated balance, end of year	-6,586	-2,111	-411
90 Outlays	789	5,125	1,700

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$692 thousand; 1972, \$6,586 thousand; 1973, \$2,111 thousand; and 1974, \$411 thousand.

Rural housing for domestic farm labor.—Financial assistance in the form of grants is provided to public or private nonprofit organizations, or other eligible organizations for low-rent housing and related facilities for domestic farm labor, as authorized by the Housing Act of 1964.

Assistance not to exceed 90% of the total development cost may be provided for new structures (including basic household furnishings) and sites, and for rehabilitation, alteration, conversion or improvement of dwellings, dining halls, community rooms or buildings, and infirmaries used by domestic farm laborers. Such financial assistance may be made in connection with insured farm labor housing loans under the Rural housing insurance fund. No new obligations will be incurred under this grant program after January 8, 1973, pending completion of a thorough evaluation of federally subsidized housing programs. This evaluation will focus on whether the programs: (1) are the most effective mechanisms available for providing housing assistance to low income families; (2) are providing excessive benefits to others than the intended beneficiaries; (3) represent a proper Federal role. Applications which had been certified for approval by this date will be processed for approval and disbursement.

GRANT OBLIGATIONS

	1972 actual	1973 estimate	1974 estimate
Rural housing grants for domestic farm labor:			
Number of grants	10	3	-----
Amount of grants (thousands of dollars)	\$6,683	\$650	-----

MUTUAL AND SELF-HELP HOUSING

For grants pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), \$3,000,000, to remain available until expended. (Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-75-2006-0-1-352	1972 actual	1973 est.	1974 est.
Program by activities:			
Financial assistance for technical and supervisory assistance for mutual and self-help housing (program costs, funded)	797	3,000	3,000
Change in selected resources ¹	821	729	832
10 Total obligations (object class 41.0) ..	1,618	3,729	3,832
Financing:			
21 Unobligated balance available, start of year	-1,179	-1,561	-832
24 Unobligated balance available, end of year	1,561	832	-----
40 Budget authority (appropriation)	2,000	3,000	3,000

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$1,575 thousand; 1972, \$2,395 thousand; 1973, \$3,124 thousand; and 1974, \$3,956 thousand.

General and special funds—Continued

MUTUAL AND SELF-HELP HOUSING—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-75-2006-0-1-352	1972 actual	1973 est.	1974 est.
Relation of obligations to outlays:			
71 Obligations incurred, net.....	1,618	3,729	3,832
72 Obligated balance, start of year.....	1,575	2,395	3,124
74 Obligated balance, end of year.....	-2,395	-3,124	-3,956
90 Outlays.....	797	3,000	3,000

Mutual and self-help housing.—This assistance was authorized by section 1005 of the Housing and Urban Development Act of 1968 (Public Law 90-448). These grants are especially designed to aid the development of comprehensive plans to permit an expansion of mutual and self-help housing programs under which groups of families build their own homes by mutually exchanging labor. In 1972, a total of nine grants were made for \$1,617,910. It is estimated that 25 grants totaling \$3,729 thousand will be made to nonprofit organizations in 1973 and that 25 grants totaling \$3,832 thousand will be made in 1974. These organizations will provide technical staffs to assist approximately 3,000 low-income families in 1973 and in 1974 to build their homes by the self-help method.

SALARIES AND EXPENSES

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated [Farmers Home Administration] *Farm and Rural Development Act* [of 1961] (7 U.S.C. 1921-1991, 86 Stat. 657-667), as amended; title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1490c, 83 Stat. 399) 1490d; the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444), for administering the loan program authorized by title IIIA of the Economic Opportunity Act of 1964 (Public Law 88-452, approved August 20, 1964), as amended, and for carrying out the responsibilities of the Secretary of Agriculture under sections 235 and 236 of the National Housing Act, as amended (12 U.S.C. 1715z-1715z-1), and section 701 of the Housing Act of 1954, as amended (40 U.S.C. 461), [\$112,743,000] \$112,500,000, together with not more than [\$1,000,000] \$3,000,000 of the charges collected in connection with the insurance of loans as authorized by section 309(e) of the Consolidated [Farmers Home Administration] *Farm and Rural Development Act* [of 1961], as amended, and sections 514(b)(3) and 517(i) of the Housing Act of 1949, as amended: *Provided*, That, in addition, not to exceed \$500,000 of the funds available for the various programs administered by this agency may be transferred to this appropriation for temporary field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), to meet unusual or heavy workload increases: *Provided further*, That no part of any funds in this paragraph may be used to administer a program which makes rural housing grants pursuant to section 504 of the Housing Act of 1949, as amended.

[For an additional amount for "Salaries and expenses," \$1,800,000.] [For an additional amount for "Salaries and expenses," \$500,000.] (*Agriculture-Environmental and Consumer Protection Appropriation Act, 1973; Disaster Relief Supplemental Appropriations, 1973; Supplemental Appropriations Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-75-2001-0-1-352	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
Administration of grant and direct and insured loan programs (program costs, funded) ¹	102,050	115,084	116,000
Reimbursable program:			
1. Miscellaneous service to other accounts.....	165	50	25

2. Agency for International Development (funds appropriated to the President).....	471	260	245
3. Economic Opportunity program (funds appropriated to the President).....	3,128	1,800	-----
Total reimbursable program.....	3,764	2,110	270

Total program costs, funded.....	105,814	117,194	116,270
Change in selected resources ²	-199	-----	-----

10 Total obligations.....	105,615	117,194	116,270
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Financing:

11 Receipts and reimbursements from: Federal funds:			
Advanced from the Agricultural credit insurance fund, FHA.....	-1,469	-1,500	-500
Advanced from the Rural housing insurance fund, FHA.....	-----	-----	-3,000
Advanced from the Direct loan account, FHA.....	-500	-----	-----
Other Federal funds.....	-3,764	-2,110	-270
25 Unobligated balance lapsing.....	150	1,371	-----
Budget authority.....	100,032	114,955	112,500

Budget authority:			
40 Appropriation.....	100,114	115,043	112,500
41 Transferred to "Operating expenses, public buildings service," General Services Administration (78 Stat. 655 and 79 Stat. 531).....	-82	-88	-----
43 Appropriation (adjusted).....	100,032	114,955	112,500

Relation of obligations to outlays:			
71 Obligations incurred, net.....	99,882	113,584	112,500
72 Obligated balance, start of year.....	3,805	3,113	4,113
74 Obligated balance, end of year.....	-3,113	-4,113	-4,113
77 Adjustments in expired accounts.....	107	-----	-----
90 Outlays.....	100,682	112,584	112,500

¹ Includes capital outlays as follows: 1972, \$484 thousand; 1973, \$1,000 thousand; and 1974, \$1,000 thousand.

² Selected resources as of June 30 are as follows:

	1971	1971 adjustment	1972	1973	1974
Stores.....	392	---	314	314	314
Undelivered orders.....	506	107	492	492	492
Total selected resources.....	898	107	806	806	806

These moneys are used to administer the loan and grant programs of the Farmers Home Administration including reviewing applications, making and collecting loans, and providing technical assistance and guidance to borrowers; and to assist in extending other Federal programs to people in rural areas.

Object Classification (in thousands of dollars)

Identification code 05-75-2001-0-1-352	1972 actual	1973 est.	1974 est.
FARMERS HOME ADMINISTRATION			
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	76,538	85,347	84,303
11.3 Positions other than permanent.....	4,849	5,532	6,145
11.5 Other personnel compensation.....	233	258	249
Total personnel compensation.....	81,621	91,137	90,697
12.1 Personnel benefits.....	7,458	8,287	8,273
13.0 Benefits for former personnel.....	16	19	25
21.0 Travel and transportation of persons.....	5,473	5,497	5,967
22.0 Transportation of things.....	415	583	611
23.0 Rent, communications, and utilities.....	4,394	5,842	6,541
24.0 Printing and reproduction.....	512	720	814

25.0	Other services.....	1,102	1,551	1,624
26.0	Supplies and materials.....	402	455	482
31.0	Equipment.....	573	636	608
42.0	Insurance claims and indemnities.....	5	7	8
Total costs, funded.....		101,970	114,734	115,650
94.0	Change in selected resources.....	-199		
Total direct obligations.....		101,771	114,734	115,650
Reimbursable obligations:				
Personnel compensation:				
11.1	Permanent positions.....	2,195	1,222	213
11.3	Positions other than permanent.....	815	470	
11.5	Other personnel compensation.....	29	21	20
Total personnel compensation.....		3,039	1,713	233
12.1	Personnel benefits.....	272	154	18
13.0	Benefits for former personnel.....	5		
21.0	Travel and transportation of persons.....	190	108	6
22.0	Transportation of things.....	21	12	5
23.0	Rent, communications, and utilities.....	152	83	3
24.0	Printing and reproduction.....	17	9	
25.0	Other services.....	44	25	5
26.0	Supplies and materials.....	10	6	
31.0	Equipment.....	14		
Total reimbursable obligations.....		3,764	2,110	270
Total obligations, Farmers Home Administration.....		105,535	116,844	115,920

ALLOTMENT ACCOUNTS

Personnel compensation:				
11.1	Permanent positions.....	9	110	110
11.5	Other personnel compensation.....		2	2
Total personnel compensation.....		9	112	112
12.1	Personnel benefits.....	1	9	9
21.0	Travel and transportation of persons.....		16	16
22.0	Transportation of things.....		1	1
24.0	Printing and reproduction.....		4	4
25.0	Other services.....	50	104	104
26.0	Supplies and materials.....		4	4
41.0	Grants, subsidies, and contributions.....	20	100	100
Total obligations, allotment accounts.....		80	350	350
99.0	Total obligations.....	105,615	117,194	116,270

Obligations are distributed as follows:				
Farmers Home Administration.....		105,535	116,844	115,920
Extension Service.....		50	100	100
Forest Service.....		20	100	100
Soil Conservation Service.....			100	100
Economic Research Service.....		10	25	25
Rural Electrification Administration.....			25	25

Personnel Summary

FARMERS HOME ADMINISTRATION				
Total number of permanent positions.....		7,125	7,355	6,438
Full-time equivalent of other positions.....		1,126	1,742	1,725
Average paid employment.....		8,220	8,777	8,523
Average GS grade.....		7.6	7.6	7.6
Average GS salary.....		\$11,248	\$11,300	\$11,350

ALLOTMENT ACCOUNTS

Total number of permanent positions.....		1	8	8
Average paid employment.....		1	7	7
Average GS grade.....		9.9	8.6	8.6
Average GS salary.....		\$15,124	\$13,315	\$13,323

PAYMENT OF PARTICIPATION SALES INSUFFICIENCIES

For payment to the Government National Mortgage Association, as trustee, such insufficiencies as may be required by the trustee on account of outstanding beneficial interests or participations authorized by Title II, Public Law 90-113, issued pursuant to section 302(c) of the Federal National Mortgage Association Charter Act, as amended

(12 U.S.C. 1717(c)), such sums as may be necessary, to be available without fiscal year limitations.

Program and Financing (in thousands of dollars)

Identification code 05-75-2050-0-1-352		1972 actual	1973 est.	1974 est.
Financing:				
21	Unobligated balance available, start of year	-5,266	-2,907	-790
23	Unobligated balance transferred to other accounts.....	2,358	2,117	790
24	Unobligated balance available, end of year	2,907	790	
Budget authority.....				
Relation of obligations to outlays:				
71	Obligations incurred, net.....			
90	Outlays.....			

This language is proposed to provide for any insufficiencies arising from the sales of participation certificates authorized in the Department of Agriculture and Related Agencies Appropriation Act of 1968. The exact amount of the insufficiency cannot be determined until the end of each fiscal year. The estimated amount of \$1,476 thousand for 1974 is reflected under the Rural housing insurance fund.

Public enterprise funds:

DIRECT LOAN ACCOUNT

[Direct loans and advances under subtitle B and advances under section 335(a), for which funds are not otherwise available, of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921), as amended, may be made from funds available in the Farmers Home Administration direct loan account for operating loans in the amount of \$350,000,000, to remain available until expended, pursuant to section 338(c) of the above Act, and, for advances under section 335(a), in such amounts as are found necessary thereunder.] (Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-75-4220-0-3-351		1972 actual	1973 est.	1974 est.
Program by activities:				
Capital outlay, funded:				
1. Real estate loans:				
Farm ownership loans.....		508		
Soil and water loans.....		18,501	2,917	
2. Operating loans.....		326,223	62,117	
3. Watershed works of improvement loans.....		3,925	2,250	
4. Flood prevention loans.....		47		
5. Resource conservation and development loans.....		1,099		
6. Judgment and collateral acquired		446	55	
7. Land and improvements.....		10		
Total capital outlay, funded....		350,759	67,339	
Operating costs, funded:				
1. Interest on participation certificates.....		25,862	3,265	
2. Administrative expenses.....		500	250	
3. Amortized discount on participation certificates.....		5	1	
4. Interest on borrowings.....		21,803		
5. Costs incident to security for loans.....		17		
Total operating costs, funded.....		48,187	3,516	
Total program costs, funded.....		398,946	70,855	

Public enterprise funds—Continued

DIRECT LOAN ACCOUNT—Continued

Program and Financing (in thousands of dollars)—Continued

identification code 05-75-4220-0-3-351	1972 actual	1973 est.	1974 est.
Program by activities—Continued			
Capital outlay, funded—Continued			
Selected resources transferred to Agricultural credit insurance fund		44,449	
Change in selected resources ¹	-8,722	-40,733	
10 Total obligations	390,224	74,571	
Financing:			
Receipts and reimbursements from:			
11 Federal funds: Investment income-participation sales fund	-7,085	-1,568	
14 Non-Federal sources:			
Repayment on loans	-309,888	-71,681	
Proceeds from sale of acquired property	-436	-126	
Payment on judgments	-308	-88	
Sale of land and improvements	-2		
Interest income	-67,631	-17,578	
Other revenue	-61	-2	
21.98 Unobligated balance available, start of year: Fund balance	-320,882	-227,892	
22 Unobligated balance transferred from participation sales fund	-138,809		
23 Unobligated balance transferred to participation sales fund	88,178	13,368	
23 Unobligated balance transferred to Agricultural credit insurance fund		230,996	
24.98 Unobligated balance available, end of year: Fund balance	227,891		
31 Redemption of agency (debt participation certificates)	138,809		
Budget authority			
Relation of obligations to outlays:			
71 Obligations incurred, net	4,812	-16,472	
72.48 Receivables in excess of obligations, start of year	-10,122	-16,425	
73 Receivables in excess of obligations transferred to Agricultural credit insurance fund		15,282	
74.48 Receivables in excess of obligations, end of year	16,425		
90 Outlays	11,116	-17,615	

¹ Balance of selected resources are identified on the statement of financial condition.

The assets and liabilities of, and authorizations applicable to, the Farmers Home Administration direct loan account were transferred to the Agricultural credit insurance fund as of September 30, 1972, pursuant to section 309(g)(1) of the Consolidated Farm and Rural Development Act (Public Law 92-419, approved August 30, 1972).

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Operating program:			
Revenue	73,373	18,451	
Investment income from participation sales fund	7,085	1,568	
Gross operating income	80,458	20,019	
Expense (-):			
Operating expense	-36,424	-2,849	
Interest on participation certificates	-25,862	-3,265	
Amortized discount on participation certificates	-5	-1	

Total expense	-62,291	-6,115	
Net operating income	18,167	13,904	
Nonoperating income or loss (-):			
Proceeds from sale of acquired property:			
Cash	436	126	
Loans receivable	387	88	
Total proceeds from sale	823	214	
Net book value of assets sold (-)	-833	-211	
Nonoperating income or loss (-)	-10	3	
Net income for year	18,157	13,907	

Financial Condition (in thousands of dollars)

	1971 actual	1972 actual	1973 est.	1974 est.
Assets:				
Drawing account with Treasury	310,760	211,467		
Accounts receivable, net	64,952	61,247		
Loans receivable, net	1,312,116	1,343,837		
Acquired security or collateral	642	923		
Land and improvements	2	2		
Judgments, net	567	647		
Total assets	1,689,039	1,618,123		
Liabilities:				
Current	3,771	3,201		
Interest collection in escrow for trustee	1,604	888		
Participation certificates outstanding	490,619	351,809		
Principal collections in escrow for trustee	7,666	5,320		
Principal payments to be applied to redemption of participation certificates	-127,547	-74,570		
Total liabilities	376,113	286,649		
Government Equity:				
Undisbursed loan obligations ¹	49,455	40,733		
Unobligated balance	320,882	227,892		
Participation certificates outstanding less principal collections held by trustee	-363,072	-277,239		
Principal collections in escrow for trustee	-7,666	-5,320		
Total funded balance	-401	-13,934		
Invested capital and earnings	1,313,326	1,345,409		
Total Government Equity	1,312,926	1,331,474		

¹ The "Change in selected resources" entry on the program and financing schedule relates to this item.

Analysis of Changes in Government Equity (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Interest-bearing capital:			
Start of year	597,960	597,960	
Transfer to Agricultural credit insurance fund		-597,960	
End of year	597,960		
Non-interest-bearing capital:			
Start of year	501,101	501,492	
Capitalized assets from FHA—other	391	132	
Transfer to Agricultural credit insurance fund		-501,624	
End of year	501,492		

Retained earnings:			
Start of year.....	213,865	232,022	
Net income for the year.....	18,157	13,907	
Transfer to Agricultural credit insurance fund.....		-245,929	
End of year.....	232,022		
Total Government equity (end of year)	1,331,474		

Object Classification (in thousands of dollars)

Identification code 05-75-4220-0-3-351	1972 actual	1973 est.	1974 est.
25.0 Other services.....	505	251	
33.0 Investments and loans.....	350,776	67,339	
43.0 Interest and dividends.....	21,803		
43.0 Interest on participation certificates.....	25,862	3,265	
Total costs, funded.....	398,946	70,855	
94.0 Change in selected resources, net.....	-8,722	3,716	
99.0 Total obligations.....	390,224	74,571	

SELF-HELP HOUSING LAND DEVELOPMENT FUND

Program and Financing (in thousands of dollars)

Identification code 05-75-4222-0-3-352	1972 actual	1973 est.	1974 est.
Program by activities:			
10 Loans for land development (costs—obligations) (object class 33.0).....	48	900	900
Financing:			
14 Receipts and reimbursements from: Non-Federal sources:			
Repayments on loans.....	-22	-107	-425
Interest income.....	-7	-8	-32
21 Unobligated balance available, start of year.....	-1,764	-1,745	-960
24 Unobligated balance available, end of year.....	1,745	960	517
Budget authority.....			
Relation of obligations to outlays:			
71 Obligations incurred, net.....	19	785	443
72 Receivables in excess of obligations, start of year.....	-4	-10	-10
74 Receivables in excess of obligations, end of year.....	10	10	12
90 Outlays.....	25	785	445

The Self-help housing land development fund was authorized by section 1005 of the Housing and Urban Development Act of 1968 (Public Law 90-448). It is used as a revolving fund for making loans to public or private nonprofit organizations for the acquisition and development of land as building sites to be subdivided and sold to eligible families, nonprofit organizations and cooperatives. In 1972, two loans were obligated for \$78,600. It is estimated that 22 loans for \$900 thousand will be made in 1973 and in 1974.

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Operating program:			
Revenue and net operating income.....	7	8	32

Financial Condition (in thousands of dollars)

	1971 actual	1972 actual	1973 est.	1974 est.
Assets:				
Drawing account with Treasury.....	1,760	1,735	950	505
Accounts receivable, net.....	4	10	10	12
Loans receivable, net.....	241	267	1,060	1,535
Total assets.....	2,005	2,012	2,020	2,052
Government equity:				
Unobligated balance.....	1,764	1,745	960	517
Invested capital and earnings.....	241	267	1,060	1,535
Total Government equity.....	2,005	2,012	2,020	2,052

Analysis of Change in Government Equity (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Non-interest-bearing capital:			
Start of year.....	2,000	2,000	2,000
End of year.....	2,000	2,000	2,000
Retained earnings:			
Start of year.....	5	12	20
Net income for the year.....	7	8	32
End of year.....	12	20	52
Total Government equity (end of year).....	2,012	2,020	2,052

RURAL HOUSING INSURANCE FUND

For direct loans and related advances pursuant to section 517(m) of the Housing Act of 1949, as amended, \$10,000,000 shall be available from funds in the rural housing insurance fund, and for insured loans as authorized by title V of the Housing Act of 1949, as amended, [\$2,144,000,000] \$623,000,000. Hereafter, farmer applicants for direct or insured rural housing loans shall be required to provide only such collateral security as is required of owners of nonfarm tracts.

For an additional amount to reimburse the rural housing insurance fund for losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of title V of the Housing Act of 1949, as amended (42 U.S.C. 1483, 1487e, and 1490a(c)), including [\$39,752,000] \$53,342,000 as authorized by section 521(c) of the Act, [\$51,461,000] \$89,170,000. (Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-75-4141-0-3-352	1972 actual	1973 est.	1974 est.
Program by activities:			
Capital outlay, funded:			
1. Loans made:			
(a) Loans made from fund.....	1,612,703	1,769,200	751,700
(b) Payments of delinquent installments.....	13,311	15,000	20,000
(c) Advances on behalf of borrowers.....	2,582	3,800	5,000
2. Purchase of loans from lenders.....	267,736	300,000	325,000
3. Judgments and collateral acquired.....	410	335	355
Total capital outlay, funded.....	1,896,741	2,088,335	1,102,055

Public enterprise funds—Continued

RURAL HOUSING INSURANCE FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-75-4141-0-3-352	1972 actual	1973 est.	1974 est.
Program by activities—Continued			
Operating costs, funded:			
1. Administrative expense			3,000
2. Interest on borrowings	7,332	11,000	15,000
3. Interest on participation certificates	11,017	9,646	9,145
4. Amortized discount on participation certificates	10	10	10
5. Premium interest paid note holders	53,357	45,000	37,000
6. Interest expense on withheld collections	14,061	19,000	25,000
7. Interest credits on loans	30,916	80,000	110,000
8. Other expense	4,530	6,380	3,700
Total operating costs, funded	121,222	171,036	202,855
Total program costs, funded	2,017,963	2,259,371	1,304,910
Change in selected resources ¹	-45,059	17,300	-135,200
10 Total obligations	1,972,905	2,276,671	1,169,710
Financing:			
Receipts and reimbursements from:			
11 Federal funds: Investment income from participation sales fund	-1,458	-1,568	-2,235
14 Non-Federal sources:			
Repayments on loans	-370,061	-558,500	-756,605
Less:			
Loan repayments received on behalf of note holders	332,215	518,500	716,605
Subtotal, repayments on loans held	-37,846	-40,000	-40,000
Repayments on advances	-10,944	-8,300	-12,400
Sale of loans	-1,695,418	-2,239,394	-1,066,700
Insurance premiums	-3,848	-5,000	-6,000
Repayments on judgments	-39	-63	-144
Proceeds from sale of acquired property	-373	-1,700	-2,800
Interest income	-25,745	-32,030	-40,058
Fees and other revenue	-869	-1,117	-1,681
21.47 Unobligated balance available, start of year: Authority to spend public debt receipts	-131,969		-85,350
22 Unobligated balance transferred from other accounts	-2,358	-2,117	-790
22 Unobligated balance transferred from participation sales fund	-29,761	-4,930	
23 Unobligated balance transferred to participation sales fund	24,075	21,100	18,500
24.47 Unobligated balance available, end of year: Authority to spend public debt receipts		85,350	160,598
31 Redemption of agency debt (participation certificates)	29,761	4,930	
Budget authority	86,113	51,832	90,650
Budget authority:			
Current:			
40 Appropriation	24,400	51,832	90,650

¹ Balances of selected resources are identified on the statement of financial condition.

67	Permanent: Authority to spend public debt receipts (indefinite)	61,713		
Relation of obligations to outlays:				
71	Obligations incurred, net	196,365	-52,501	-2,308
72.47	Obligated balance, start of year:			
	Authority to spend public debt receipts	45,102	238,784	153,434
72.98	Fund balance	301,360	134,951	258,982
74.47	Obligated balance, end of year:			
	Authority to spend public debt receipts	-238,784	-153,434	-78,186
74.98	Fund balance	-134,951	-258,982	-203,857
90	Outlays	169,093	-91,182	128,065

This fund was established in 1965 (Public Law 89-117) pursuant to section 517 of title V of the Housing Act of 1949, as amended. Initial capitalization of the fund at \$100 million was provided by the Supplemental Appropriation Act, 1966.

Public Law 91-152, approved December 24, 1969, provided that the rural housing direct loan account be abolished and that the assets and liabilities of, and authorizations applicable to, the direct loan account be transferred to this fund.

This fund is used to insure rural housing loans, farm labor housing loans, rural housing site loans, and loans for rural rental and cooperative housing. Loans are made to persons of low or moderate incomes if their need for necessary housing cannot be met with financial assistance from other sources, including assistance available under sections 235 or 236 of the National Housing Act. The insured loans made by the Farmers Home Administration in fiscal year 1973 will bear interest at 7¼% with provision for interest credits up to 6¼% under certain circumstances, except that insured farm labor housing loans will bear interest at the rate of 1%. Insured rural housing disaster loans bear interest at 1%, 3%, or at a rate determined monthly not in excess of 6%, depending on when the disaster occurred.

The 1973 Appropriation Act provided for making direct loans from funds available in this fund. These direct loans are limited to very low income housing repair loans. Repair and improvement loans not in excess of \$2,500 are made to very-low-income families who are owners of farms or nonfarm rural property to repair or improve their dwellings and essential farm buildings in order to make them safe and sanitary and to remove health hazards to the families or the community. Loans which involve water supply, septic tanks, or bathroom and kitchen plumbing facilities may be made in amounts not in excess of \$3,500. These loans are made at 1% interest and are repayable in not more than 10 years.

Insured building loans are made to farmowners, owners of other real estate in rural areas, others who are or will become rural residents, and long-term leaseholders. Loans are repayable in not more than 33 years. Loans are made to enable eligible applicants to construct, improve, alter, repair, or replace dwellings and essential farm service buildings, and may include funds to buy a house, building site, and farm service buildings. Loans are limited to rural areas which include towns, villages, or other rural places of not more than 10,000 population, which are not part of an urban area.

Insured rural housing disaster loans are made in designated areas to provide for repair or replacement of farm or rural dwellings, farm service buildings and related

facilities damaged by a natural disaster. Public Law 91-606 authorized loans in areas where the President has declared a major disaster, with special provisions for refinancing real estate debts under restricted conditions, for cancellation of a portion of principal up to \$2,500, and for deferment of interest and principal payments up to 3 years. Public Law 92-385, approved August 16, 1972, authorized special conditions for loans made in connection with disasters occurring between June 30, 1971, and July 1, 1973. Such loans may bear a lower interest rate, be eligible for deferred payments, and for cancellation of principal up to \$5 thousand under certain circumstances. Such principal cancellations totaled \$.4 million in fiscal year 1972 and are estimated at \$15 million in 1973.

No new loan obligations will be incurred under the low-income housing, rural rental housing, and farm labor housing loan programs after January 8, 1973, pending completion of a thorough evaluation of federally subsidized housing programs. This evaluation will focus on whether the programs: (1) are the most effective mechanisms available for providing housing assistance to low-income families; (2) are providing excessive benefits to other than the intended beneficiaries; (3) represent a proper Federal role. Applications which had been certified for approval by this date will be processed for approval and disbursement.

RURAL HOUSING LOANS—OBLIGATIONS

[Dollars in millions]

	1972 actual		1973 estimate		1974 estimate	
Number of applications.....	Number	Amount	Number	Amount	Number	Amount
Insured loans:	263,187		300,000		325,000	
Rural housing site loans.....	17	\$1.0	83	\$5.0	67	\$5.0
Farm labor housing loans.....	50	2.7	45	7.5		
Rural rental housing loans.....	515	40.1	305	30.0		
Low-income building loans (individuals).....	76,683	1,061.2	40,430	650.0		
Moderate income building loans (individuals).....	35,499	500.0	69,500	1,084.0	39,600	618.0
Total insured.....	112,764	1,605.0	110,363	1,776.5	39,667	623.0
Direct loans:						
Very-low-income housing repair loans.....	3,803	5.4	6,900	10.0	6,900	10.0
Total insured and direct.....	116,567	1,610.4	117,263	1,786.5	46,567	633.0

Note.—Estimates for fiscal years 1973 and 1974 are subject to minor shifts between some categories.

The new obligational authority required for "Insufficiencies" is computed as follows (in thousands of dollars):

	1972 actual	1973 estimate	1974 estimate
Interest accrued on participation certificates.....	11,017	9,646	9,145
Amortized discount on participation certificates.....	10	10	10
Interest accrued on an equal amount of loans in the pool.....	-6,474	-5,600	-4,650
Insufficiency.....	4,553	4,056	4,505
Financed by:			
Investment income from Participation sales trust fund.....	-1,457	-1,568	-2,235
Transfer from other accounts.....	-2,359	-2,117	-790
New obligational authority.....	737	371	1,480

Budget authority: Amount applicable to sales authorized in appropriations:

1967.....	737	371	4
1968.....			1,476

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Operating program:			
Revenue.....	30,534	38,230	47,858
Investment income from participation sales fund, net.....	1,458	1,568	2,235
Gross operating income.....	31,992	39,798	50,093
Expense:			
Operating expense.....	-119,168	-187,175	-199,883
Amortized discount on participation certificates.....	-10	-10	-10
Interest on participation certificates.....	-11,017	-9,646	-9,145
Total expense.....	-130,195	-196,831	-209,038
Net operating loss.....	-98,203	-157,033	-158,945
Nonoperating income or loss (-):			
Proceeds from sale of acquired property:			
Cash.....	373	1,700	2,800
Loans receivable.....	6,933	7,000	7,000
Total proceeds from sale.....	7,306	8,700	9,800
Net book value of assets sold.....	7,533	8,800	9,850
Net nonoperating loss.....	-227	-100	-50
Net loss for the year.....	-98,430	-157,133	-158,995

Financial Condition (in thousands of dollars)

	1971 actual	1972 actual	1973 est.	1974 est.
Assets:				
Drawing account with Treasury.....	301,360	134,951	258,982	203,857
Accounts receivable, net.....	31,324	48,137	60,992	82,452
Loans receivable, net.....	723,298	866,288	642,432	615,806
Judgments, net.....	38	61	139	240
Acquired security or collateral.....	3,082	8,393	12,348	15,253
Total assets.....	1,059,102	1,057,830	975,293	917,608
Liabilities:				
Current:				
Accounts payable and accrued liabilities.....	169,902	259,162	293,198	319,593
Provision for potential losses on loans held by note holders.....	16,108	21,438	28,949	31,032
Interest collections in escrow for trustee.....	578	463	663	555
Participation certificates outstanding.....	194,412	164,652	159,722	159,722
Principal collections in escrow for trustee.....	2,426	1,909	1,909	1,509
Principal repayments to be applied to redemption of participation certificates.....	-25,760	-19,557	-35,727	-53,827
Total liabilities.....	357,666	428,067	448,714	458,584
Government equity:				
Obligations:				
Undisbursed loan obligations ¹	207,288	162,247	179,547	44,347
Undisbursed obligations to pay recoverable costs ¹	18			

¹ The "Change in selected resources" entry on the program and financing schedule relates to these items.

Public enterprise funds—Continued

RURAL HOUSING INSURANCE FUND—Continued

Financial Condition (in thousands of dollars)—Continued

	1972 actual	1973 est.	1974 est.
Government equity—Continued			
Unobligated balance.....	131,969	85,350	160,598
Undrawn authorization.....	-177,071	-238,784	-238,784
Total funded balance.....	162,204	-76,537	26,113
Participation certificates outstanding less principal collections held by trustee.....	-168,653	-145,095	-123,995
Principal collections in escrow for trustee.....	-2,426	-1,909	-1,509
Invested capital and earnings.....	710,309	853,304	626,370
Total Government equity.....	701,435	629,763	526,579

Analysis of Changes in Government Equity (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Interest-bearing capital:			
Start of year.....	555,718	555,718	555,718
End of year.....	555,718	555,718	555,718
Non-interest-bearing capital:			
Transfer from rural housing direct loan account.....	135,505	135,505	135,505
Appropriations.....	102,834	102,834	102,834
End of year.....	238,339	238,339	238,339
Retained earnings:			
Start of year.....	-92,622	-164,294	-267,478
Net loss for year.....	-98,430	-157,133	-158,995
Appropriation and transfers to meet insufficiencies and other deficits.....	26,758	53,949	91,440
End of year.....	-164,294	-267,478	-335,033
Total Government equity (end of year).....	629,763	526,579	459,024

Note.—This statement excludes contingent liabilities for insured loans in principal amounts as of June 30, 1972, \$4,341,129 thousand; 1973, \$6,035,798 thousand; 1974, \$6,437,732 thousand.

Object Classification (in thousands of dollars)

Identification code 05-75-4141-0-3-352	1972 actual	1973 est.	1974 est.
25.0 Other services.....	4,530	6,380	6,700
33.0 Investments and loans.....	1,896,741	2,088,335	1,102,055
43.0 Interest and dividends.....	105,665	155,000	187,000
43.0 Interest on participation certificates.....	11,027	9,656	9,155
Total costs, funded.....	2,017,963	2,259,371	1,304,910
94.0 Change in selected resources.....	-45,059	17,300	-135,200
99.0 Total obligations.....	1,972,905	2,276,671	1,169,710

EMERGENCY CREDIT REVOLVING FUND (DISASTER LOANS)

Program and Financing (in thousands of dollars)

Identification code 05-75-4104-0-3-351	1972 actual	1973 est.	1974 est.
Program by activities:			
Capital outlay, funded:			
1. Loans made: Emergency loans.....	34,643	214	-----
2. Judgments and collateral acquired.....	21	10	-----
Total capital outlay, funded.....	34,663	224	-----

Operating costs, funded:

1. Administrative expense.....	7,948	800	-----
2. Other expense.....	2	-----	-----
Total operating costs, funded.....	7,950	800	-----
Total program costs, funded.....	42,613	1,024	-----
Change in selected resources ¹	-5,319	-118	-----
10 Total obligations.....	37,294	906	-----

Financing:

14 Receipts and reimbursements from: Non-Federal sources:			
Repayments on loans.....	-111,563	-14,671	-----
Proceeds from sale of acquired property.....	-202	-50	-----
Payments on judgements.....	-52	-16	-----
Revenue.....	-3,444	-335	-----
21 Unobligated balance available, start of year.....	-47,900	-125,865	-----
23 Unobligated balance transferred to Agricultural credit insurance fund.....	-----	140,031	-----
24 Unobligated balance available, end of year.....	125,865	-----	-----

Budget authority.....

Relation of obligations to outlays:			
71 Obligations incurred, net.....	-77,966	-14,166	-----
72 Obligated balance, start of year.....	2,118	-----	-----
Receivables in excess of obligations, start of year.....	-----	-2,552	-----
73 Receivables in excess of obligations transferred to Agricultural credit insurance fund.....	-----	2,654	-----
74 Receivables in excess of obligations, end of year.....	2,552	-----	-----
90 Outlays.....	-73,295	-14,064	-----

¹ Balance of selected resources are identified on the statement of financial condition.

The assets and liabilities of, and authorizations applicable to, the Emergency credit revolving fund were transferred to the Agricultural credit insurance fund as of Sept. 30, 1972, pursuant to section 309(g)(1) of the Consolidated Farm and Rural Development Act (Public Law 92-419, approved Aug. 30, 1972).

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Operating program:			
Revenue.....	3,838	424	-----
Expense.....	-11,854	-3,295	-----
Net operating loss.....	-8,016	-2,871	-----
Nonoperating income or loss (-):			
Proceeds from sale of collateral:			
Cash.....	202	50	-----
Loans receivable.....	33	13	-----
Total proceeds from sale of collateral.....	235	63	-----
Net book value of assets sold.....	-219	-61	-----
Net nonoperating income.....	15	2	-----
Net loss for the year.....	-8,001	-2,869	-----

Financial Condition (in thousands of dollars)

	1971 actual	1972 actual	1973 est.	1974 est.
Assets:				
Drawing account with Treasury.....	50,018	123,313	-----	-----
Accounts receivable, net.....	3,320	2,671	-----	-----
Loans receivable, net.....	120,014	39,373	-----	-----
Acquired security or collateral.....	172	181	-----	-----
Judgments, net.....	172	157	-----	-----
Total assets.....	173,696	165,695	-----	-----

Liabilities:			
Current	1	1	
Government equity:			
Obligations:			
Undisbursed loan obligations ¹	5,437	118	
Unobligated balance	47,899	125,865	
Total unexpended balance	53,336	125,983	
Invested capital and earnings	120,358	39,711	
Total Government equity	173,694	165,694	

¹ The "Change in selected resources" entry on the program and financing schedule relates to this item.

Analysis of Changes in Government Equity (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Non-interest-bearing capital:			
Start of year	332,776	332,776	
Transfer to Agricultural credit insurance fund		-332,776	
End of year	332,776		
Retained earnings:			
Start of year	-159,082	-167,082	
Net loss (-) for the year	-8,001	-2,869	
Transfer to Agricultural credit insurance fund		169,951	
End of year	-167,082		
Total Government equity (end of year)	165,694		

Object Classification (in thousands of dollars)

Identification code 05-75-4104-0-3-351	1972 actual	1973 est.	1974 est.
FARMERS HOME ADMINISTRATION			
Personnel compensation:			
11.1 Permanent positions	6,291	628	
11.3 Positions other than permanent	79	17	
Total personnel compensation	6,370	645	
12.1 Personnel benefits: Civilian	580	58	
13.0 Benefits for former personnel	1		
21.0 Travel and transportation of persons	425	43	
22.0 Transportation of things	32	3	
23.0 Rent, communications, and utilities	341	35	
24.0 Printing and reproduction	40	4	
25.0 Other services	88	9	
26.0 Supplies and materials	25	3	
31.0 Equipment	8		
33.0 Investments and loans	34,663	224	
Total costs, funded	42,573	1,024	
94.0 Change in selected resources	-5,319	-118	
Total obligations, Farmers Home Administration	37,254	906	
ALLOTMENT TO THE OFFICE OF THE GENERAL COUNSEL			
11.1 Personnel compensation: Permanent positions	37		
12.1 Personnel benefits: Civilian	3		
Total obligations, Office of the General Counsel	40		
99.0 Total obligations	37,294	906	

Personnel Summary

FARMERS HOME ADMINISTRATION

Total number of permanent positions	580		
Full-time equivalent of other positions	16		
Average paid employment	583	58	
Average GS grade	7.6		
Average GS salary	\$11,248		

ALLOTMENT TO THE OFFICE OF THE GENERAL COUNSEL

Total number of permanent positions	4		
Average paid employment	4		
Average GS grade	9.7		
Average GS salary	\$14,993		

AGRICULTURAL CREDIT INSURANCE FUND

For an additional amount to reimburse the agricultural credit insurance fund for losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Consolidated [Farmers Home Administration] *Farm and Rural Development Act* [of 1961], as amended (7 U.S.C. 1988(a)), [\$56,762,000] \$74,554,000.

[For loans to] *Loans* may be insured, or made to be sold and insured, under this Fund in accordance with and subject to the provisions of 7 U.S.C. 1928-1929, as follows: real estate loans, \$370,000,000, including not less than \$350,000,000 for farmownership loans; [water and waste disposal loans, \$300,000,000] *operating loans; such sums as may be necessary; and emergency loans* [in amounts necessary to meet the needs resulting from natural disasters;] *not to exceed \$100,000,000. (Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)*

Program and Financing (in thousands of dollars)

Identification code 05-75-4140-0-3-351	1972 actual	1973 est.	1974 est.
Program by activities:			
Capital outlay, funded:			
1. Loans made:			
(a) Payments of delinquent installments	21,114	28,157	32,500
(b) Advances on behalf of borrowers	2,386	3,319	4,168
(c) From fund for later sale	571,230	1,070,415	842,400
2. Purchase of loans from lenders	306,341	218,570	215,000
3. Collateral acquired by default	393	563	642
4. Judgments	22	105	150
Total capital outlay, funded	901,486	1,321,129	1,094,860
Operating costs, funded:			
1. Administrative expense	1,469	8,010	5,560
2. Premium interest for note holders	60,134	61,656	78,370
3. Interest on participation certificates		17,910	20,423
4. Amortized discount on participation certificates		4	5
5. Interest expense on withheld collections	3,395	2,875	3,000
6. Interest on borrowings	15,909	22,818	22,818
7. Insured loan sales expense	1,159	2,303	1,420
8. Other expense	109	125	150
Total operating costs, funded	82,176	115,701	131,746
Total program costs, funded	983,661	1,436,830	1,226,606
Selected resources transferred, net		417,437	
Change in selected resources ¹	170,191	-410,322	1,600
10 Total obligations	1,153,853	1,443,945	1,228,206

¹ Balances of selected resources are identified on the statement of financial condition.

Public enterprise funds—Continued

AGRICULTURAL CREDIT INSURANCE FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	05-75-4140-0-3-351	1972 actual	1973 est.	1974 est.
Financing:				
Receipts and reimbursements from:				
11	Federal funds: Investment income from participation sales fund	-----	-4,705	-8,940
14	Non-Federal sources:			
	Repayments on loans	-222,345	-530,718	-680,610
	Less: Loan repayments received on behalf of note holders	209,315	355,055	467,771
	Subtotal, repayments on loans held	-13,029	-175,663	-212,839
	Repayments on advances	-18,466	-21,183	-24,200
	Sale of loans	-733,870	-1,335,660	-850,386
	Proceeds from sale of acquired property	-450	-1,029	-1,110
	Payments on judgments	-170	-534	-700
	Insurance premiums	-726	-467	-365
	Interest revenue	-12,157	-71,166	-13,638
	Other revenue	-----	-45	-54
Unobligated balance available, start of year:				
21.47	Authority to spend public debt receipts	-----	-----	-9,269
21.98	Fund balance	-----	-----	-531,965
22	Unobligated balance transferred from other accounts	-----	-371,027	-----
22	Unobligated balance transferred from participation sales fund	-----	-19,721	-----
23	Unobligated balance transferred to participation sales fund	-----	53,062	52,050
Unobligated balance available, end of year:				
24.47	Authority to spend public debt receipts	-----	9,269	9,269
24.98	Fund balance	-----	531,965	448,495
31	Unobligated balance lapsing (redemption of participation certificates)	-----	19,721	-----
	Budget authority	374,985	56,762	74,554
Budget authority:				
Current:				
40	Appropriation	37,192	56,762	74,554
Permanent:				
67	Authority to spend public debt receipts	337,793	-----	-----
Relation of obligations to outlays:				
71	Obligations incurred, net	374,985	-166,507	105,974
Obligated balance, start of year:				
72.47	Authority to spend public debt receipts	341,438	464,230	-----
72.98	Fund balance	22,635	82,211	236,250
73	Obligated balances transferred, net	-----	-472,897	-----
Obligated balance, end of year:				
74.47	Authority to spend public debt receipts	-464,230	-----	-----
74.98	Fund balance	-82,210	-236,250	-238,374
90	Outlays	192,617	-329,213	103,850

This fund is used to insure farm ownership, recreation, soil and water, farm operating, and emergency loans to individuals, as well as the following types of loans to associations: Irrigation and drainage, grazing, recreation, Indian land acquisition, watershed protection, flood prevention, and resource conservation and development. The insurance endorsement on each insured loan may include an agreement by the Government to purchase the loan after a specified initial period. The initial fund of \$1 million may be supplemented by amounts retained by the Government out of interest collected from insured loan

borrowers and by borrowing from the Secretary of the Treasury. From any amounts so retained, not to exceed one-half of 1% of the outstanding principal obligations must be deposited to the fund. Any remainder of such charges may be used for administrative expenses.

Loans may be made directly from the fund from available receipts or borrowings from the Treasury for the purpose of acquiring blocks of loans if there is a reasonable assurance that the loans can be sold to investors without undue delay. With respect to all new loans made from this fund, with the exception of emergency loans, not more than \$500 million may be held in the fund at any one time. Present money market interest rates are in excess of the statutory rate paid by most borrowers. The excess interest paid to private investors to make the loans salable is paid from Treasury borrowings.

Public Law 92-419, approved August 30, 1972, abolished the Farmers Home Administration Direct loan account and the Emergency credit revolving fund and provided for transfer of the assets and liabilities of, and authorizations applicable to, these accounts to the Agricultural credit insurance fund. It also provided for transfer from the Agricultural credit insurance fund to the newly constituted Rural development insurance fund of the assets and liabilities of the Agricultural credit insurance fund applicable to loans for water systems and waste disposal facilities. Such transfers were accomplished as of September 30, 1972.

The following loans are financed through this fund.

Loans to individuals.—1. Farm ownership loans are made to farmers and ranchers, at a 5% interest rate for 40 years or less, for acquiring, enlarging, or improving farms, including dwellings and farm buildings; for financing land and water development, use and conservation; for developing recreational and other nonfarm enterprises; for forestry development; for refinancing indebtedness; and for loan closing costs. Loans are confined to farms which are not larger than family farms and cannot exceed the market value of the farm or \$100 thousand, whichever is the lesser. The loan limitation includes the unpaid indebtedness against the farm or other security. The Farmers Home Administration has broadened its farm ownership loan policies so that private or cooperative lenders and the agency can make loans to the same borrowers on the same security.

FARM OWNERSHIP LOANS—OBLIGATIONS

	[Dollars in millions]		
	1972 actual	1973 estimate	1974 estimate
Number of applications	41,999	45,000	50,000
Number of loans	13,755	13,600	13,410
Amount of loans	\$355.5	\$350.0	\$350.0

2. Recreation loans are made to individual farmers and ranchers, at a 5% interest rate for 40 years or less, for converting all or a portion of the farms or ranches they own or operate to outdoor income-producing recreational enterprises which will supplement or supplant farm income and permit carrying on sound and successful operations. These loans may be made on farms which are larger than family farms and may include funds for operating purposes.

RECREATION LOANS TO INDIVIDUALS—OBLIGATIONS

	[Dollars in millions]		
	1972 actual	1973 estimate	1974 estimate
Number of applications	94	160	200
Number of loans	48	45	50
Amount of loans	\$1.8	\$1.5	\$1.5

3. Soil and water loans are made to farmers, ranchers, and nonoperator owners, at a 5% interest rate for 40 years or less, for land and water development, use, and conservation. These loans may be made on farms which are larger than family farms.

SOIL AND WATER LOANS TO INDIVIDUALS—OBLIGATIONS

[Dollars in millions]

	1972 actual	1973 estimate	1974 estimate
Number of applications.....	2,138	2,200	2,300
Number of loans.....	891	600	600
Amount of loans.....	\$4.6	\$3.0	\$3.0

4. Farm operating loans are authorized to be made to farmers and ranchers for costs incident to reorganizing a farming system for more profitable operations; for a variety of essential farm expenses such as the purchase of livestock, farm equipment, feed, seed, fertilizer, and farm supplies, and other essential operating expenses, including cash rent, and costs incident to the production and harvesting of forestry products; for financing land and water development, use, and conservation; for developing recreational and other nonfarm enterprises; for other farm and home needs; for refinancing indebtedness; for complying with certain safety standards; for operation of farming enterprises by rural youths in connection with their participation in 4-H Clubs, Future Farmers of America and similar organizations; and for loan closing costs. Loans for farming operations are confined to operators of not-larger-than family farms. The outstanding principal loan balance for operating loans to any individual is limited to \$50 thousand. Loans bear interest at a rate based on the average rate paid by the U.S. Treasury on obligations with a similar maturity period. The rate for fiscal year 1973 is 5%. Loans may be scheduled for payment over periods from 1 to 7 years depending on loan purposes. In some situations, they may be renewed for not more than 5 additional years. Loans are secured by crop and chattel liens and, when necessary, by real estate mortgages. Other reliable agricultural credit sources are encouraged to furnish as much as possible of the essential needs of loan applicants with the balance being supplied with an operating loan from the Farmers Home Administration.

FARM OPERATING LOANS—OBLIGATIONS

[Dollars in millions]

	1972 actual	1973 estimate	1974 estimate
Number of applications.....	60,637	70,000	75,000
Number of loans (direct).....	43,845	6,738	-----
Amount of loans (direct).....	\$337.2	\$51.7	-----
Number of loans (insured).....	-----	34,999	39,734
Amount of loans (insured).....	-----	\$298.3	\$350.0

5. Emergency loans are made in designated areas where a natural disaster has caused a general need for agricultural credit. The former statutory emergency loan requirement of inability to obtain credit elsewhere was suspended by Public Law 91-606, approved December 31, 1970, for loans made before the end of the first full operating year following the disaster. Thereafter, however, applicants must be unable to obtain credit elsewhere in order to qualify for additional emergency loans based on the same disaster. Emergency loans are made to eligible established farmers, ranchers, or oyster planters, and to private domestic corporations or partnerships engaged primarily in farming, ranching, or oyster planting. Emergency loans are made primarily for financing farm operating needs, family living expenses, and a number of

closely related purposes. Loans bear interest at 1%, 3%, or at a rate determined monthly not in excess of 6% depending on when the disaster occurred. Loans are repayable over periods not longer than regular loans made by the Farmers Home Administration for similar purposes.

Public Law 91-606 authorized loans in areas where the President has declared a major disaster, with special provisions for refinancing real estate debts under restricted conditions, for cancellation of a portion of principal up to \$2,500, and for deferment of interest and principal payments up to 3 years on loans for other than operating expenses. Under Public Law 92-173, approved November 24, 1971, emergency loans are authorized to be insured on the same basis as insured farm ownership loans.

Public Law 92-385, approved August 16, 1972, authorized special conditions for emergency loans made in connection with disasters occurring between June 30, 1971, and July 1, 1973. Such loans may bear a lower interest rate, be eligible for deferment of payments, and for cancellation of principal up to \$5 thousand under certain circumstances.

The low-interest rate and forgiveness features of the legislation were originally proposed by the Administration to assist persons who suffered losses in major Presidentially declared disaster areas such as the Hurricane Agnes area. The act was subsequently broadened by congressional action to include areas designated by the Secretary as emergency areas because of adverse weather conditions affecting agricultural crops (drought, hail, excessive rain, etc.), and to eliminate the requirement that applicants must be unable to obtain credit elsewhere. Owing to the broadened scope of the legislation, an unprecedented number of emergency loan applications have been received from secretarially declared areas, producing a result totally inconsistent with the intent of the original proposal. Principal cancellations totaled \$7.4 million in 1972 under the previous more restrictive Public Law 91-606. In comparison, cancellations are expected to reach \$245 million in 1973 under the provisions of the current law.

Effective December 27, 1972, new procedures were initiated governing the acceptance of applications in designated disaster areas. Applications will be accepted in secretarially declared areas through December 27, 1972, or to a date 60 days after designation, whichever is later. Applications will be accepted in Presidentially declared areas through January 15 or to a date 60 days after designation, whichever is later.

EMERGENCY (DISASTER) LOANS—OBLIGATIONS

[Dollars in millions]

	1972 actual	1973 estimate	1974 estimate
Number of applications.....	15,077	60,000	15,000
Number of loans (direct).....	3,877	-----	-----
Amount of loans (direct).....	\$29.5	-----	-----
Number of loans (insured).....	9,102	56,800	9,400
Amount of loans (insured).....	\$79.4	\$350.0	\$100.0

Loans to associations.—1. Irrigation and drainage association loans are made to an organization primarily composed of farmers, ranchers, certain Indian tribes, and other rural residents for a project which includes the application or establishment of soil conservation practices, the construction, improvement, or enlargement of facilities for drainage, or the conservation, development, use, or control of water, primarily serving farmers and other rural residents. The objectives may be met through such assistance as to a group of farmers and other rural residents to develop community irrigation dams and canals; a soil and water conservation district to purchase heavy earth mov-

Public enterprise funds—Continued

AGRICULTURAL CREDIT INSURANCE FUND—Continued

ing equipment; a community for drainage of land; a group of farmers to develop soil conservation measures such as terraces, shelter belts, and similar development. These loans are made at a 5% interest rate for 40 years or less

IRRIGATION AND DRAINAGE ASSOCIATION LOANS—OBLIGATIONS

[Dollars in millions]

	1972 actual	1973 estimate	1974 estimate
Number of applications.....	40	50	50
Number of loans.....	21	26	26
Amount of loans.....	\$0.9	\$1.0	\$1.0

2. Grazing association loans are made to an organization primarily composed of farmers, ranchers, certain Indian tribes, and other rural residents to provide seasonal grazing for livestock belonging to members of the association. Membership in an association permits a farmer or rancher to graze his livestock on association pasture for the grazing season and return them to his base unit for the balance of the year. Such a plan provides a farmer or rancher an opportunity to increase the size of his operations. These loans are made at 5% interest rate for 40 years or less.

GRAZING ASSOCIATION LOANS—OBLIGATIONS

[Dollars in millions]

	1972 actual	1973 estimate	1974 estimate
Number of applications.....	85	100	100
Number of loans.....	42	27	35
Amount of loans.....	\$7.3	\$4.0	\$4.0

3. Recreation association loans are made to an organization primarily composed of farmers, ranchers, certain Indian tribes, and other rural residents to provide rural communities with opportunities to develop outdoor oriented recreational facilities for direct use of their residents or to generate other substantial tangible benefits for such communities. These loans are made at a 5% interest rate for 40 years or less.

RECREATION ASSOCIATION LOANS—OBLIGATIONS

[Dollars in millions]

	1972 actual	1973 estimate	1974 estimate
Number of applications.....	6	20	30
Number of loans.....	-	8	8
Amount of loans.....	-	\$0.5	\$0.5

4. Indian tribe land acquisition loans are made to qualified Indian tribes or tribal corporations to acquire land or interest in land within the tribe's reservation or Alaskan Indian community, as determined by the Secretary of the Interior. These loans are made at a 5% interest rate for 40 years or less.

INDIAN TRIBE LAND ACQUISITION LOANS—OBLIGATIONS

[Dollars in millions]

	1972 actual	1973 estimate	1974 estimate
Number of applications.....	11	120	120
Number of loans.....	4	50	50
Amount of loans.....	\$2.0	\$10.0	\$10.0

5. Watershed protection and flood prevention loans are made to sponsors of projects approved for operation by the Soil Conservation Service. Loans are made to local organizations for installing, repairing, or improving works of improvement and water storage facilities, purchasing

sites or rights-of-way and for related costs. These loans are repayable in not more than 50 years at an interest rate based on the average rate paid by the U.S. Treasury on obligations of similar maturity. The rate for the 1973 fiscal year is 3.649%. Total loans outstanding on any one project may not exceed \$5 million.

WATERSHED PROTECTION AND FLOOD PREVENTION LOANS—OBLIGATIONS

[Dollars in millions]

	1972 actual	1973 estimate	1974 estimate
Watershed protection:			
Number of applications.....	21	90	90
Number of loans (direct).....	18	11	-----
Amount of loans (direct).....	\$5.0	\$1.3	-----
Number of loans (insured).....	-----	62	72
Amount of loans (insured).....	-----	\$18.7	\$20.0
Flood prevention:			
Number of applications.....	-----	10	10
Number of loans (insured).....	-----	5	5
Amount of loans (insured).....	-----	\$0.4	\$0.4

6. Resource conservation and development loans are made to sponsors of projects approved for operation by the Soil Conservation Service. Loans are made to local organizations and individuals for planned conservation measures and works of improvement specified in approved workplans. These loans are repayable in not more than 30 years, with repayment of principal and interest deferred up to 5 years, if necessary. Loans bear interest at a rate based on the average rate paid by the U.S. Treasury on obligations of similar maturity. The rate for the 1973 fiscal year is 3.649%.

RESOURCE CONSERVATION AND DEVELOPMENT LOANS—OBLIGATIONS

[Dollars in millions]

	1972 actual	1973 estimate	1974 estimate
Number of applications.....	18	150	100
Number of loans (direct).....	16	-----	-----
Amount of loans (direct).....	\$0.9	-----	-----
Number of loans (insured).....	-----	76	76
Amount of loans (insured).....	-----	\$3.6	\$3.6

Estimates for fiscal years 1973 and 1974 are subject to minor shifts between real estate type loans.

The budget authority required for "Insufficiencies" is computed as follows:

[In thousands of dollars]

	1972 actual	1973 estimate	1974 estimate
Interest accrued on participation certificates.....	25,862	21,175	20,423
Amortized discount on participation certificates.....	5	5	5
Interest accrued on an equal amount of loans in the pool.....	-13,082	-10,700	-8,600
Insufficiency.....	12,785	10,480	11,828
Financed by:			
Investment income from participation sales trust fund.....	-7,085	-6,273	-8,940
Retained earnings reserved to meet insufficiencies.....	-5,700	-4,207	-2,888
Budget authority required.....	-----	-----	-----

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Operating program:			
Revenue.....	13,301	67,349	17,819
Investment income from participation sales fund.....	-----	4,705	8,940
Gross operating income.....	13,301	72,054	26,759

Expense(—):			
Operating expense.....	-98,937	-347,162	-148,421
Interest on participation certificates.....		-17,910	-20,423
Amortized discount on participation certificates.....		-4	-5
Total expense.....	-98,937	-365,076	-168,849
Net operating loss.....	-85,636	-293,022	-142,090
Nonoperating income or loss (—):			
Proceeds from sale of acquired property:			
Cash sales.....	450	1,029	1,110
Exchanged for loans receivable.....	1,921	3,299	3,850
Total proceeds from sale.....	2,371	4,328	4,960
Net book value of assets sold.....	-2,348	-4,288	-4,925
Net nonoperating income.....	23	40	35
Net loss for the year.....	-85,613	-292,982	-142,055

Financial Condition (in thousands of dollars)

	1971 actual	1972 actual	1973 est.	1974 est.
Assets:				
Drawing account with Treasury.....	22,635	82,211	768,215	686,869
Accounts receivable, net.....	32,895	42,430	99,322	65,863
Loans receivable, net.....	178,204	302,641	748,791	723,935
Judgments, net.....	36	68	929	935
Land and improvements.....			2	2
Acquired security or collateral.....	1,571	2,730	4,176	4,952
Total assets.....	235,341	430,080	1,621,435	1,482,556
Liabilities:				
Accounts payable and accrued liabilities.....	98,518	120,231	276,150	243,465
Interest collections in escrow for trustee.....			1,104	854
Participation certificates outstanding.....			332,088	332,088
Principal collections in escrow for trustee.....			5,390	4,240
Principal payments to be applied to redemption of participation certificates.....			-121,349	-172,249
Provision for potential losses on loans held by noteholders.....	44,483	50,931	90,953	104,560
Total liabilities.....	143,002	171,162	584,336	512,958
Government equity:				
Obligations:				
Undisbursed loan obligations ¹	298,435	468,575	58,318	59,918
Undisbursed obligations to pay recoverable loan costs ¹	14	65	541,234	457,764
Unobligated balance.....	-341,437	-464,230	-9,269	-9,269
Undrawn authorizations.....				
Total funded balance.....	-42,988	4,410	590,283	508,413
Participation certificates outstanding less principal collections held by trustee.....			-210,739	-159,839
Principal collections in escrow for trustee.....			-5,390	-4,240
Invested capital and earnings.....	135,327	254,508	662,945	625,264
Total Government equity.....	92,339	258,918	1,037,099	969,598

¹ The "Change in selected resources" entry on the program and financing schedule relates to these items.

Analysis of Changes in Government Equity (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Interest-bearing capital:			
Start of year.....	236,906	451,906	597,960
Transfers from other accounts.....		597,960	
Borrowing from Treasury, net.....	215,000		

Transfer to Rural development insurance fund.....		-451,906	
End of year.....	451,906	597,960	597,960
Non-interest-bearing capital:			
Start of year.....	1,000	1,000	793,368
Transfers from other accounts.....		1,158,998	
Transfer to Rural development insurance fund.....		-367,026	
Capitalized assets from Farmers Home Administration—Other.....		396	
End of year.....	1,000	793,368	793,368
Retained earnings or deficit (—):			
Start of year.....	-145,567	-193,988	-354,229
Transfers from other accounts.....		75,979	
Appropriation to meet deficit.....	37,192	56,762	74,554
Net loss for the year.....	-85,613	-292,982	-142,055
End of year.....	-193,988	-354,229	-421,730
Total Government equity (end of year).....	258,918	1,037,099	969,598

Note.—This statement excludes contingent liabilities for insured loans in principal amounts at June 30, 1972, \$2,575,636 thousand; 1973, \$3,380,774 thousand; 1974, \$3,608,067 thousand.

Object Classification (in thousands of dollars)

Identification code 05-75-4140-0-3-351	1972 actual	1973 est.	1974 est.
FARMERS HOME ADMINISTRATION			
Personnel compensation:			
11.1 Permanent positions.....		3,048	2,355
11.3 Positions other than permanent.....		2,381	1,677
Total personnel compensation.....		5,429	4,032
12.1 Personnel benefits: Civilian.....		503	373
13.0 Benefits for former personnel.....		1	1
21.0 Travel and transportation of persons.....		316	258
22.0 Transportation of things.....		28	17
23.0 Rent, communications, and utilities.....		289	225
24.0 Printing and reproduction.....		35	25
25.0 Other services.....	2,737	3,754	2,125
26.0 Supplies and materials.....		21	16
31.0 Equipment.....		6	3
33.0 Investments and loans.....	901,486	1,321,129	1,094,860
43.0 Interest and dividends.....	79,438	87,349	104,188
43.0 Interest on participation certificates.....		17,910	20,423
Total costs, funded.....	983,661	1,436,770	1,226,546
94.0 Change in selected resources, net.....	170,191	7,115	1,600
Total obligations, Farmers Home Administration.....	1,153,853	1,443,885	1,228,146
ALLOTMENT TO THE OFFICE OF THE GENERAL COUNSEL			
11.1 Personnel compensation: Permanent positions.....		55	55
12.1 Personnel benefits: Civilian.....		5	5
Total obligations, Office of the General Counsel.....		60	60
99.0 Total obligations.....	1,153,853	1,443,945	1,228,206

Personnel Summary

FARMERS HOME ADMINISTRATION		
Total number of permanent positions.....	328	190
Full-time equivalent of other positions.....	303	233
Average paid employment.....	543	423
Average GS grade.....	7.6	7.6
Average GS salary.....	\$11,300	\$11,350
ALLOTMENT TO THE OFFICE OF THE GENERAL COUNSEL		
Total number of permanent positions.....	4	4
Average paid employment.....	4	4
Average GS grade.....	9.7	9.7
Average GS salary.....	\$14,932	\$14,812

Public enterprise funds—Continued

RURAL DEVELOPMENT INSURANCE FUND

For loans to be insured, or made to be sold and insured, under this Fund in accordance with and subject to the provisions of 7 U.S.C. 1928 and 86 Stat. 661-664, as follows: water facility loans, \$345,000,000; rural electrification and telephone loans, \$758,000,000; industrial development loans, \$200,000,000; and community facility loans, \$100,000,000.

Program and Financing (in thousands of dollars)

Identification code 05-75-4155-0-3-352	1972 actual	1973 est.	1974 est.
Program by activities:			
Capital outlay, funded:			
1. Loans made:			
(a) Payments of delinquent installments.....	1,843	2,500	
(b) Advances on behalf of borrowers.....	167	250	
(c) From fund for later sale.....	295,970	767,000	
2. Purchase of loans from lenders.....	81,430	110,000	
Total capital outlay, funded.....	379,410	879,750	
Operating costs, funded:			
1. Premium interest for note holders.....	6,826	9,000	
2. Interest expense on withheld collections.....	1,125	1,500	
3. Interest on borrowings.....	17,182	23,932	
4. Insured loan sales expense.....	506	250	
Total operating costs, funded.....	25,639	34,682	
Total program costs, funded.....	405,049	914,432	
Selected resources transferred from Agricultural credit insurance fund.....	-461,886		
Change in selected resources ¹	890,321	591,000	
10 Total obligations.....	833,484	1,505,432	
Financing:			
14 Receipts and reimbursements from:			
Non-Federal sources:			
Repayments on loans.....	-24,868	-36,780	
Less: Loan repayments received on behalf of note holders.....	17,471	27,957	
Subtotal, repayments on loans held.....	-7,397	-8,823	
Repayments on advances.....	-1,517	-2,100	
Sale of loans.....	-530,414	-946,897	
Insurance premiums.....	-33	-35	
Interest revenue.....	-16,588	-36,501	
67 Budget authority (authority to spend agency debt receipts).....	277,535	511,076	
Relation of obligations to outlays:			
71 Obligations incurred, net.....	277,535	511,076	
Obligated balance, start of year:			
Authority to spend public debt receipts.....		732,496	
72.47 Fund balance.....		142,998	
73 Obligated balance transferred from Agricultural credit insurance fund.....	454,961		
Obligated balance, end of year:			
Authority to spend public debt receipts.....	-732,496	-1,243,572	
74.98 Fund balance.....	-142,998	-223,627	
90 Outlays.....	-142,998	-90,629	

¹ Balances of selected resources are identified on the statement of financial condition.

This fund was established on October 1, 1972, pursuant to section 309A of the Rural Development Act of 1972 (Public Law 92-419, approved Aug. 30, 1972).

The assets and liabilities of the Agricultural credit insurance fund applicable to loans for water systems and

waste disposal facilities were transferred to the Rural development insurance fund. Loans for water systems and waste disposal facilities are now made from this fund under authorities of the Rural Development Act. No waste disposal facility loans will be made in fiscal year 1974 since new authorities contained in the Clean Water Act will provide credit for this purpose.

A number of new types of loans for community facilities and for private business enterprises in rural areas are authorized to be made from the Rural development insurance fund, including rural electrification and telephone loans. (See narrative statement for Rural Electrification Administration.) The fund also may be utilized to pay costs of administration of the rural development loan program, including costs incidental to guaranteeing rural development loans. It is anticipated that State and local units of government will assume a major role in the administration of these programs.

WATER AND WASTE DISPOSAL LOAN OBLIGATIONS

[Dollars in millions]

Loans:	1972 actual	1973 estimate	1974 estimate
Number.....	1,226	1,340	1,383
Amount.....	\$300.0	\$300.0	\$345.0

INDUSTRIAL DEVELOPMENT LOAN OBLIGATIONS

Loans:			
Number.....			200
Amount.....			\$200.0

COMMUNITY FACILITY LOAN OBLIGATIONS

Loans:			
Number.....			500
Amount.....			\$100.0

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Operating program:			
Revenue.....		16,621	36,536
Expense.....		-30,064	-41,859
Net loss for the year.....		-13,443	-5,323

Financial Condition (in thousands of dollars)

	1971 actual	1972 actual	1973 est.	1974 est.
Assets:				
Drawing account with Treasury.....			142,998	223,627
Accounts receivable, net.....			26,007	28,759
Loans receivable, net.....			340,828	264,078
Total assets.....			509,833	516,464
Liabilities:				
Accounts payable and accrued liabilities.....			11,180	14,637
Reserve for potential losses on loans held by note holders.....			17,762	26,259
Total liabilities.....			28,942	40,896
Government equity:				
Obligations: Undisbursed loan obligations ¹			890,321	1,481,321
Undrawn authorizations.....			-732,496	-1,243,572
Total funded balance.....			157,825	237,749
Invested capital and earnings.....			323,066	237,819
Total Government equity.....			480,891	475,568

¹ The "Change in selected resources" entry on the program and financing schedule relates to this item.

Analysis of Changes in Government Equity (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Interest-bearing capital:			
Start of year			451,906
Transfer from Agricultural credit insurance fund		451,906	
End of year		451,906	451,906
Non-interest-bearing capital:			
Start of year			42,428
Transfer from Agricultural credit insurance fund		42,428	
End of year		42,428	42,428
Retained earnings:			
Start of year			-13,443
Net loss for the year		-13,443	-5,323
End of year		-13,443	-18,766
Total Government equity (end of year)		480,891	475,568

Note.—This statement excludes contingent liabilities for insured loans in principal amounts at June 30, 1973, \$907,802 thousand; 1974, \$1,733,892 thousand.

Object Classification (in thousands of dollars)

Identification code	05-75-4155-0-3-352	1972 actual	1973 est.	1974 est.
25.0	Other services		506	250
33.0	Investments and loans		379,410	879,750
43.0	Interest and dividends		25,133	34,432
	Total costs, funded		405,049	914,432
94.0	Change in selected resources, net		428,435	591,000
99.0	Total obligations		833,484	1,505,432

ECONOMIC OPPORTUNITY LOAN FUND

Program and Financing (in thousands of dollars)

Identification code	05-75-4005-0-3-551	1972 actual	1973 est.	1974 est.
Program by activities:				
Operating costs, funded:				
Interest on borrowings		3,111	3,200	3,100
Other expense		1	150	150
Total operating costs		3,112	3,350	3,250
Capital outlay, funded:				
1. Loans to individuals		-3		
2. Loans to cooperatives		481	84	
3. Judgments and collateral acquired		20	18	15
Total capital outlay		497	102	15
Total program costs, funded		3,609	3,452	3,265
Change in selected resources ¹		-770	-84	
10 Total obligations		2,840	3,368	3,265
Financing:				
14 Receipts and reimbursements from: Non-Federal sources:				
Repayments on loans		-9,043	-6,260	-4,700
Interest revenue		-1,415	-1,460	-1,109
Miscellaneous collections		-22		
Proceeds from sale of acquired property		-24	-24	-14
Repayments on judgments		-16	-17	-15
21 Unobligated balance available, start of year		-25,857	-33,537	-37,931

24	Unobligated balance available, end of year	33,537	37,931	40,504
Budget authority				
Relation of obligations to outlays:				
71	Obligations incurred, net	-7,680	-4,393	-2,573
72	Receivables in excess of obligations, start of year	-1,752	-1,619	-1,653
74	Receivables in excess of obligations, end of year	1,619	1,653	1,590
90	Outlays	-7,812	-4,359	-2,636

¹ Balances of selected resources are identified on the statement of financial condition.

This program has been administered by the Farmers Home Administration of the Department of Agriculture through delegation of authority. Under the program, loans were provided to low-income rural residents for small-farm and nonfarm enterprises to help to increase income. Loans were also made to rural cooperative enterprises serving the rural poor through purchasing, processing, and marketing activities.

Evaluations of the program have shown that these small loans have not been effective in improving the income potentials of the rural poor. No new loans have been made since mid-1971 under this program. In the Farmers Home Administration request for "Salaries and expenses" for 1974, \$2.5 million is included to cover the administrative costs associated with this loan fund.

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Operating income or loss (—):			
Revenue	2,454	2,087	1,603
Expense	-4,165	-3,906	-3,487
Net operating loss	-1,711	-1,819	-1,884
Nonoperating income or loss (—):			
Proceeds from sale of acquired property:			
Cash	24	24	14
Net book value of assets sold	-25	-25	-15
Net nonoperating loss	-1	-1	-1
Net loss for the year	-1,712	-1,820	-1,885

Financial Condition (in thousands of dollars)

	1971 actual	1972 actual	1973 est.	1974 est.
Assets:				
Drawing account with Treasury	20,706	28,518	32,877	35,513
Accounts receivable, net	2,605	1,703	1,653	1,590
Loans receivable, net	34,851	26,223	20,083	15,613
Acquired property, net	17	11	8	8
Judgments, net	20	32	46	58
Total assets	58,199	56,488	54,667	52,782
Government equity:				
Undisbursed loan obligations ¹	854	84		
Unobligated balance	22,458	25,857	33,537	37,931
Total funded balance	23,311	25,941	33,537	37,931
Invested capital and earnings	34,888	30,547	21,130	15,679
Total Government equity	58,199	56,488	54,667	53,610

¹ The "Change in selected resources" entry on the program and financing schedule relates to this item.

Public enterprise funds—Continued

ECONOMIC OPPORTUNITY LOAN FUND—Continued

Object Classification (in thousands of dollars)

Identification code 04-37-4005-0-3-551	1972 actual	1973 est.	1974 est.
33.0 Investments and loans	497	102	15
43.0 Interest and dividends	3,112	3,350	3,250
Total costs, funded	3,609	3,452	3,265
94.0 Changes in selected resources	-770	-84	
99.0 Total obligations	2,840	3,368	3,265

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-75-8200-0-7-352	1972 actual	1973 est.	1974 est.
Program by activities:			
Miscellaneous contributed funds (program costs, funded)	145		
Change in selected resources ¹	-107		
10 Total obligations (object class 25.0)	38		
Financing:			
60 Budget authority (appropriation) (permanent, indefinite)	38		
Relation of obligations to outlays:			
71 Obligations incurred, net	38		
72 Obligated balance, start of year	107		
90 Outlays	145		

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$107 thousand; 1972, \$0; 1973, \$0; 1974, \$0.

These funds were received from borrowers for credit reports (42 U.S.C. 1472a).

STATE RURAL REHABILITATION FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-75-8488-0-8-352	1972 actual	1973 est.	1974 est.
Program by activities:			
Capital outlays, funded:			
Judgments and collateral acquired	1		
Current assets transferred to States	1,453	151	26
Total capital outlay, funded	1,454	151	26
Total operating costs, funded: Administrative expense	84	13	5
10 Total program costs, funded—obligations	1,538	164	31
Financing:			
Receipts and reimbursements from:			
11 Federal funds	-12		
14 Non-Federal sources:			
Repayments on loans	-159	-69	-48
Collections on judgments	-4	-1	-1
Interest revenue	-86	-19	-14
21 Unobligated balance available, start of year:			
Treasury balance	-913	-211	-166
U.S. securities (par)	-605	-30	

24 Unobligated balance available, end of year:

Treasury balance	211	166	198
U.S. securities (par)	30		
Budget authority			
Relation of obligations to outlays:			
71 Obligations incurred, net	1,277	75	-32
72 Receivables in excess of obligations, start of year	-153	-48	-51
74 Receivables in excess of obligations, end of year	48	51	52
90 Outlays	1,172	78	-31

These funds are administered by the Farmers Home Administration, under agreements with individual States, for use in carrying out subtitles A and B of the Consolidated Farm and Rural Development Act. In these States, real-estate type loans are purchased with these funds and insured under the Agricultural credit insurance fund. The entire assets of two State corporations are being administered by the Farmers Home Administration. A partial return of cash or other assets, at face value, has been made to 15 of these States for rural rehabilitation purposes agreed upon between each corporation and the Federal Government. The entire assets of 25 other State rural rehabilitation corporations have been returned to those States. The face value of returned corporation assets totals \$39.5 million.

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Operating income or loss (-):			
Revenue	94	19	15
Expense	-98	-6	-1
Net operating income or loss (-)	-4	13	14
Nonoperating income or loss (-):			
Earnings on investments in U.S. securities	12		
Net nonoperating income	12		
Net income for the year	8	13	14

Financial Condition (in thousands of dollars)

	1971 actual	1972 actual	1973 est.	1974 est.
Assets:				
Drawing account with Treasury	760	163	115	146
U.S. securities (par)	605	30		
Accounts receivable, net	153	48	51	52
Loans receivable, net	3,439	394	259	108
Land and improvements, acquired	9			
Judgments, net	8	2	2	1
Total assets	4,974	638	427	307
Equity of States:				
Unobligated balance	1,518	241	166	198
Invested capital and earnings	3,456	397	261	109
Total equity of States	4,974	638	427	307

Analysis of Changes in Equity of States (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Non-interest-bearing capital:			
Start of year	-616	-5,329	-5,553

Assets transferred under trust agreement during year, net:			
Current assets.....	-1,453	-151	-26
Other.....	-2,892	-73	-108
Adjustment for surplus returned to States.....	-369		
End of year.....	-5,329	-5,553	-5,687
Retained earnings:			
Start of year.....	5,590	5,967	5,980
Net income for the year.....	8	13	14
Surplus returned to States.....	369		
End of year.....	5,967	5,980	5,994

Object Classification (in thousands of dollars)

Identification code 05-75-8488-0-8-352	1972 actual	1973 est.	1974 est.
25.0 Other services.....	84	13	5
33.0 Investments and loans.....	1		
44.0 Refunds.....	1,453	151	26
99.0 Total obligations.....	1,538	164	31

SOIL CONSERVATION SERVICE

Federal Funds

General and special funds:

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft; and for necessary expenses for carrying out responsibilities under section 302 of the Rural Development Act of 1972 (Public Law 92-419), approved August 30, 1972, to remain available until expended, [\$160,069,000] \$153,923,000: *Provided*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for one building to be constructed at a cost not to exceed \$25,000 and eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a-590f) in demonstration projects: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service. (7 U.S.C. 1387, 1807, 2201-2202, 2250; 16 U.S.C. 590q-1; 42 U.S.C. 3271-3274; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-78-1000-0-1-354	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
Assistance to conservation districts, communities and other cooperators:			
(a) Soil surveys.....	25,100	23,565	23,100

(b) Technical programing, installation services and snow surveys.....	129,278	135,293	127,170
(c) Operation of plant materials centers.....	1,368	1,565	1,685
(d) Land inventory and monitoring.....			8,000
Total direct program.....	155,746	160,423	159,955

Reimbursable program:

Assistance to conservation districts, communities and other cooperators:

(a) Soil surveys.....	1,698	1,728	1,728
(b) Technical programing, installation services and snow surveys.....	10,206	7,834	4,260
(c) Operation of plant material centers.....	67	73	73

Total reimbursable program.....	11,971	9,635	6,061
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Total operating costs.....	167,717	170,058	166,016
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Unfunded adjustments to total operating costs:

Depreciation on property.....	-2,031	-2,050	-2,100
Office space occupied without charge.....	-4,475	-4,500	-4,600
Accrued annual leave.....	523	500	550

Total operating costs, funded.....	161,734	164,008	159,866
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Capital outlay:

Capitalized property.....	3,804	3,950	4,130
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Total program costs, funded.....	165,538	167,958	163,996
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Change in selected resources ¹	1,292	103	87
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10 Total obligations.....	166,830	168,061	164,083
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Financing:

Receipts and reimbursements from:

11 Federal funds.....	-10,002	-7,802	-4,156
14 Non-Federal sources.....	-2,350	-2,227	-2,397
21 Unobligated balance available, start of year.....	-351	-1,639	-3,607
24 Unobligated balance available, end of year.....	1,639	3,607	

Budget authority.....	155,766	160,000	153,923
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Budget authority:

40 Appropriation.....	155,835	160,069	153,923
41 Transferred to other accounts.....	-69	-69	

43 Appropriation (adjusted).....	155,766	160,000	153,923
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Relation of obligations to outlays:

71 Obligations incurred, net.....	154,478	158,032	157,530
72 Obligated balance, start of year.....	8,784	8,230	8,462
74 Obligated balance, end of year.....	-8,230	-8,462	-8,823
77 Adjustments in expired accounts.....	15		

90 Outlays.....	155,047	157,800	157,169
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¹ Selected resources as of June 30 are as follows:

	1971 94	1972 adjust- ments	1972 88	1973 90	1974 97
Stores.....					
Undelivered orders.....	3,196	15	4,479	4,580	4,660
Total selected re- sources.....	3,290	15	4,567	4,670	4,757

Assistance to conservation districts, community groups, units of government and other cooperators consists mainly of the following:

(a) Soil surveys and investigations, with interpretations and publications, that provide physical land facts needed for program development, resource conservation planning, installation of planned practices, and for use by other Federal, State, and local agencies.

General and special funds—Continued

CONSERVATION OPERATIONS—Continued

MAIN WORKLOAD FACTORS

	1972 actual	Total as of June 30, 1972	1973 estimate	1974 estimate
Soil surveys: ¹				
Detailed (1,000 acres).....	34,193	774,329	37,050	35,000
Reconnaissance (1,000 acres).....	7,885	41,034	2,000	2,000
Soil survey reports sent to Government				
Printing Office (number).....	80	-----	90	85

¹ Acres in the National Cooperative Soil Survey include acres mapped under other SCS programs and acres mapped by other Federal, State, and local agencies.

(b) Technical assistance to cooperating land users, groups, and units of Government and other policy and decisionmakers in the planning of conservation programs and installation of needed conservation treatments;

(c) Technical programing, design, layout, installation services, and consultation on those practices and measures provided for in resource conservation plans;

(d) Technical and other assistance to communities and units of government on land use planning, mine spoil restoration, control of erosion, sedimentation, agricultural related pollutants, and protection and enhancement of the environment, and other special problems that can best be solved through coordinated local action;

(e) The granting of special equipment to soil conservation districts for use in applying conservation practices;

(f) Water supply forecasts prepared from snow surveys in Western States that are useful in making efficient seasonal use of water for irrigation, flood control, fish and wildlife, recreation, power generation, municipal and industrial water supply, and water quality management;

(g) The selection and evaluation of plant materials to determine their suitability for erosion control, conservation purposes, and other environmental improvements;

(h) Technical assistance to participants in the rural environmental assistance program in establishing specified permanent-type practices;

(i) Technical services to participants in other programs involving land-use adjustments and soil and water conservation;

(j) Technical assistance in the planning and applying of soil and water conservation practices for which loans are made by the Farmers Home Administration;

(k) Technical assistance to rural development committees; and

(l) A program of national land inventory and monitoring.

MAIN WORKLOAD FACTORS

	1972 actual	1973 estimate	1974 estimate
Conservation districts (number).....	3,024	3,035	3,043
District cooperators (cumulative).....	2,267,016	2,298,000	2,329,000
Conservation plans (cumulative).....	1,786,384	1,814,000	1,836,000
Conservation plans and revisions.....	91,939	87,000	83,000
Acres planned each year.....	44,113,900	42,500,000	40,520,000
Operators of individual land units assisted.....	1,030,518	1,121,000	1,100,000
Groups of land users assisted.....	12,771	13,000	12,700
Units of government assisted.....	24,568	25,000	24,400
Acres adequately treated.....	30,565,068	33,000,000	33,000,000

Combinations of needed soil and water conservation practices are planned together and in relation to each other so as to have well balanced conservation programs in each district. The Service aids land users, groups, units of government and other policy and decisionmakers marshal the facts and consider the potentials and alternatives before embarking on a course of action. Both vegetative and structural measures are used in accordance with the needs of the land for protection, treatment, and

resource improvement. Plans reflect the decisions of the land users, community groups, and units of government as to how they will use and treat the land and water resources.

Technicians of the Soil Conservation Service explain the various soil conditions, develop alternative uses and treatments, help to evaluate the costs and returns of conservation work, and furnish assistance in applying the needed treatments.

The technical services provided through conservation operations are instrumental in encouraging farmers, ranchers, and others to establish conservation practices. For each dollar used to provide technical assistance, the individual landowner or user invests over two dollars in conservation work.

The national land inventory and monitoring program will provide soil, water, and related resource data for land conservation, use, and development, for guidance of community development to achieve a balanced rural-urban growth, for identification of prime agriculture producing areas that should be protected, for evaluating land use changes and trends, and for use in protecting the quality of the environment. A land resource inventory report reflecting soil, water, and related resource conditions, issued at not less than 5-year intervals, will provide essential planning data for individual land users and community, county, regional, State, and national units and agencies of government.

Object Classification (in thousands of dollars)

Identification code 05-78-1000-0-1-354	1972 actual	1973 est.	1974 est.
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	116,641	119,922	117,061
11.3 Positions other than permanent.....	4,558	4,687	4,490
11.5 Other personnel compensation.....	135	132	146
Total personnel compensation.....	121,334	124,741	121,697
12.1 Personnel benefits: Civilian.....	11,702	12,120	11,736
13.0 Benefits for former personnel.....	15	15	20
21.0 Travel and transportation of persons..	3,608	3,153	3,811
22.0 Transportation of things.....	891	900	1,000
23.0 Rent, communications, and utilities...	4,802	4,731	5,100
24.0 Printing and reproduction.....	1,897	1,900	2,000
25.0 Other services.....	2,957	3,000	3,800
26.0 Supplies and materials.....	3,485	3,500	4,000
31.0 Equipment.....	3,624	3,800	4,145
32.0 Lands and structures.....	151	160	200
42.0 Insurance claims and indemnities.....	21	21	30
Subtotal.....	154,487	158,041	157,539
95.0 Quarters and subsistence charges.....	—9	—9	—9
Total direct obligations.....	154,478	158,032	157,530
Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions.....	8,480	6,070	3,412
11.3 Positions other than permanent.....	819	850	505
11.5 Other personnel compensation.....	75	51	30
Total personnel compensation.....	9,374	6,971	3,947
12.1 Personnel benefits: Civilian.....	818	657	369
21.0 Travel and transportation of persons..	55	55	55
22.0 Transportation of things.....	28	25	24
23.0 Rent, communications, and utilities...	217	210	208
24.0 Printing and reproduction.....	7	6	5
25.0 Other services.....	901	1,000	1,015
26.0 Supplies and materials.....	339	405	330
31.0 Equipment.....	613	700	600
Total reimbursable obligations...	12,352	10,029	6,553
99.0 Total obligations.....	166,830	168,061	164,083

Personnel Summary

Total number of permanent positions.....	10,382	10,172	9,560
Full-time equivalent of other positions.....	895	897	821
Average paid employment.....	11,167	10,928	10,382
Average GS grade.....	8.3	8.3	8.4
Average GS salary.....	\$12,643	\$12,555	\$12,772
Average salary of ungraded positions.....	\$9,560	\$9,820	\$9,820

RIVER BASIN SURVEYS AND INVESTIGATIONS

For necessary expenses to conduct research, investigations and surveys of the watersheds of rivers and other waterways, in accordance with section 6 of the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1006), to remain available until expended, ~~[\$11,607,000]~~ \$12,351,000: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$60,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 2201-2202; *Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-78-1069-0-1-401	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
River basin surveys and investigations.....	9,956	12,623	12,783
Reimbursable program:			
River basin surveys and investigations.....	1,413	1,443	1,443
Total operating costs.....	11,369	14,066	14,226
Unfunded adjustments to total operating costs:			
Depreciation on property.....	-76	-78	-78
Office space occupied without charge.....	-268	-270	-270
Accrued annual leave.....	11	-12	-12
Total operating costs, funded.....	11,036	13,706	13,866
Capital outlay: Capitalized property.....	147	150	150
Total program costs, funded.....	11,183	13,856	14,016
Change in selected resources ¹	95	31	31
10 Total obligations.....	11,278	13,887	14,047
Financing:			
Receipts and reimbursements from:			
11 Federal funds.....	-910	-932	-932
14 Non-Federal sources.....	-595	-608	-608
21 Unobligated balance available, start of year.....	-591	-900	-156
24 Unobligated balance available, end of year.....	900	156	-----
Budget authority.....	10,082	11,603	12,351
Budget authority:			
40 Appropriation.....	10,091	11,607	12,351
41 Transferred to other accounts.....	-9	-4	-----
43 Appropriation (adjusted).....	10,082	11,603	12,351
Relation of obligations to outlays:			
71 Obligations incurred, net.....	9,773	12,347	12,507
72 Obligated balance, start of year.....	115	-----	-----
Receivables in excess of obligations, start of year.....	-----	-96	-96
74 Obligated balance, end of year.....	-----	-----	-42
Receivables in excess of obligations, end of year.....	96	96	-----
90 Outlays.....	9,984	12,347	12,369

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$411 thousand; 1972, \$506 thousand; 1973, \$537 thousand; 1974, \$568 thousand.

The Department cooperates with other Federal and State agencies in making surveys and investigations of watersheds of rivers and other waterways as the basis

for the development of coordinated programs for the development of water and related land resources.

MAIN WORKLOAD FACTORS

Status of river basin studies	1972 actual	1973 estimate	1974 estimate
Initiated, current fiscal year:			
Framework studies and assessments.....	0	0	0
Regional or river basin surveys.....	¹ 10	¹ 11	11
Flood hazard analyses (studies).....	13	11	16
Initiated, cumulative at June 30:			
Framework studies and assessments.....	12	12	12
Regional or river basin surveys.....	94	105	116
Flood hazard analyses (studies).....	21	32	48
Completed, current fiscal year:			
Framework studies and assessments.....	5	3	1
Regional or river basin surveys.....	3	10	9
Flood hazard analyses (reports).....	4	10	13
Completed, cumulative at June 30:			
Framework studies and assessments.....	8	11	12
Regional or river basin surveys.....	² 41	51	60
Flood hazard analyses (reports).....	6	16	29
Work in progress at June 30:			
Framework studies and assessments.....	4	1	0
Regional or river basin surveys.....	³ 53	54	56
Flood hazard analyses (studies).....	15	16	19

¹ Includes 2 studies initiated with transfer funds from Corps of Engineers through Water Resources Council which are now included in this appropriation: Platte River in Nebraska, \$70 thousand; Pacific Northwest Comprehensive Coordinated Joint Plan, \$8 thousand; Long Island Sound, \$6 thousand.

² In addition, there have been 24 interim reports completed in the Colorado River, Oregon River, Sevier River, Florida Rivers, and Central Lahontan studies.

³ Includes review studies of Cape Fear, Yazoo-Mississippi, and Tombigbee River Basin.

⁴ Includes the Hawaiian water resources regional study initiated with transfer funds (\$50 thousand) from Corps of Engineers through Water Resources Council. For years beyond 1973 it is included in this appropriation.

River Basin Program Development and Coordination.—Section 6 of Public Law 566, 83d Congress, as amended, authorizes the Department to cooperate with other Federal, State, and local agencies in making surveys and investigations of the watersheds of rivers and other waterways as a basis for the development of coordinated water and related land resource programs. The Department currently is participating in cooperative surveys and investigations in river basins with the Corps of Engineers and other interested Federal and State agencies. The Department also maintains representation on seven river basin commissions and three river basin interagency committees. These serve as points of contact in coordination between representatives of this Department and other Federal departments and agencies and the States in these basin areas. They keep all concerned mutually informed of the activities of the member agencies and facilitate matters of interagency coordination. During 1972, the Department maintained such representation on committees in the Arkansas-White-Red, Missouri, Pacific-Southwest, and Southeast areas. The MBIAC was dissolved when the MRBC was formed during 1972. The Department is also represented on the Water Resources Council which was formed in accordance with section 101, Public Law 89-80, Water Resources Planning Act, to coordinate water and related land resource activities of Federal departments and agencies.

The Senate Select Committee on National Water Resources proposed a goal of surveying all of the Nation's river basins and making determinations of our future water and related land resource needs. Twenty-one planning regions were established nationwide. The Department of Agriculture has cooperated in framework level planning in 14 of these regions. This Department and other member departments of the Water Resources Council have jointly considered needs for additional river basin surveys and investigations necessary to attain the goal.

General and special funds—Continued

RIVER BASIN SURVEYS AND INVESTIGATIONS—Continued

Based on this joint coordination, current needs are \$893 thousand to continue interagency comprehensive surveys now in progress and to initiate two proposed new studies during 1974; \$8,864 thousand to continue other Federal-State cooperative river basin surveys now in progress and to start nine additional surveys in cooperation with States; \$200 thousand for interregional economic analysis; \$850 thousand for flood hazard analyses; and \$1,700 thousand for interagency coordination and program formulation.

Object Classification (in thousands of dollars)

Identification code 05-78-1069-0-1-401	1972 actual	1973 est.	1974 est.
SOIL CONSERVATION SERVICE			
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	4,952	5,350	5,273
11.3 Positions other than permanent.....	168	234	234
11.5 Other personnel compensation.....	15	43	41
Total personnel compensation.....	5,135	5,627	5,548
12.1 Personnel benefits: Civilian.....	492	539	531
21.0 Travel and transportation of persons.....	323	833	940
22.0 Transportation of things.....	33	99	102
23.0 Rent, communications, and utilities.....	131	383	400
24.0 Printing and reproduction.....	192	565	582
25.0 Other services.....	102	304	333
26.0 Supplies and materials.....	54	158	169
31.0 Equipment.....	97	288	318
Total direct obligations.....	6,559	8,796	8,923
Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions.....	747	715	702
11.3 Positions other than permanent.....	30	37	37
11.5 Other personnel compensation.....	3	4	4
Total personnel compensation.....	780	756	743
12.1 Personnel benefits: Civilian.....	75	73	71
21.0 Travel and transportation of persons.....	62	68	69
22.0 Transportation of things.....	4	4	5
23.0 Rent, communications, and utilities.....	7	7	8
24.0 Printing and reproduction.....	39	43	44
25.0 Other services.....	486	531	542
26.0 Supplies and materials.....	13	14	14
31.0 Equipment.....	22	24	24
Total reimbursable obligations.....	1,488	1,520	1,520
Total obligations, Soil Conservation Service.....	8,047	10,316	10,443
ALLOCATION ACCOUNTS			
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	2,266	2,332	2,332
11.3 Positions other than permanent.....	96	117	117
11.5 Other personnel compensation.....	2		
Total personnel compensation.....	2,364	2,449	2,449
12.1 Personnel benefits: Civilian.....	247	214	214
21.0 Travel and transportation of persons.....	225	220	253
22.0 Transportation of things.....	24	24	24
23.0 Rent, communications, and utilities.....	33	37	37
24.0 Printing and reproduction.....	7	19	19
25.0 Other services.....	267	532	532
26.0 Supplies and materials.....	26	31	31
31.0 Equipment.....	21	25	25
Total direct obligations.....	3,214	3,551	3,584

Reimbursable obligations:

Personnel compensation:			
11.1 Permanent positions.....	14	14	14
11.3 Positions other than permanent.....	1	1	1
Total personnel compensation.....	15	15	15
12.1 Personnel benefits: Civilian.....	1	1	1
21.0 Travel and transportation of persons.....	1	1	1
25.0 Other services.....		3	3
Total reimbursable obligations.....	17	20	20
Total obligations, allocation accounts.....	3,231	3,571	3,604
99.0 Total obligations.....	11,278	13,887	14,047

Obligations are distributed as follows:

Soil Conservation Service.....	8,047	10,316	10,443
Forest Service.....	1,375	1,513	1,528
Economic Research Service.....	1,856	2,058	2,076

Personnel Summary

SOIL CONSERVATION SERVICE

Total number of permanent positions.....	396	407	400
Full-time equivalent of other positions.....	33	44	44
Average paid employment.....	424	449	443
Average GS grade.....	8.3	8.3	8.4
Average GS salary.....	\$12,643	\$12,555	\$12,772
Average salary of ungraded positions.....	\$9,560	\$9,820	\$9,820

ALLOCATION ACCOUNTS

Total number of permanent positions.....	148	147	147
Full-time equivalent of other positions.....	14	18	18
Average paid employment.....	157	165	165
Average GS grade.....	9.3	9.2	9.2
Average GS salary.....	\$14,051	\$14,093	\$14,074
Average salary of ungraded positions.....	\$9,835	\$9,993	\$10,001

WATERSHED PLANNING

For necessary expenses for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001-1008), to remain available until expended, [\$7,622,000] \$7,053,000: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 2201-2202; *Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-78-1066-0-1-401	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program: Small watershed project investigations and planning.....	6,917	7,572	7,790
Reimbursable program: Small watershed project investigations and planning.....	1,375	1,415	1,415
Total operating costs.....	8,292	8,987	9,205
Unfunded adjustments to total operating costs:			
Depreciation on property.....	-79	-81	-83
Office space occupied without charge.....	-276	-290	-291
Accrued annual leave.....	22	23	23
Total operating costs, funded.....	7,959	8,639	8,854
Capital outlays: Capitalized property.....	140	152	155
Total program costs, funded.....	8,099	8,791	9,009
Change in selected resources ¹	-33	-9	-7
10 Total obligations.....	8,066	8,782	9,002

Financing:			
Receipts and reimbursements from:			
11 Federal funds.....	—8	—8	—8
14 Non-Federal sources.....	—1,334	—1,372	—1,372
21 Unobligated balance available, start of year.....	—346	—352	—569
24 Unobligated balance available, end of year.....	352	569	-----
Budget authority.....	6,730	7,619	7,053
Budget authority:			
40 Appropriation.....	6,740	7,622	7,053
41 Transferred to other accounts.....	—10	—3	-----
43 Appropriation (adjusted).....	6,730	7,619	7,053
Relation of obligations to outlays:			
71 Obligations incurred, net.....	6,724	7,402	7,622
72 Obligated balance, start of year.....	536	370	395
74 Obligated balance, end of year.....	—370	—395	—421
90 Outlays.....	6,890	7,377	7,596

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$299 thousand; 1972, \$266 thousand; 1973, \$257 thousand; 1974, \$250 thousand.

The Department cooperates with the States and other agencies in planning works of improvement in small watersheds to reduce damage from floodwater, sediment, and erosion and for the conservation, development, utilization, and disposal of water.

MAIN WORKLOAD FACTORS

Activity	1972 actual	1973 estimate	1974 estimate
Applications for planning assistance:			
On hand, cumulative, start of year.....	2,931	2,935	2,975
Net increase during year.....	4	40	40
On hand, cumulative, June 30.....	2,935	2,975	3,015
Consisting of:			
Unprocessed applications (back-log).....	704	683	663
Not suitable for planning.....	569	570	570
Authorized for planning.....	1,662	1,722	1,782
Status of planning:			
Authorized, cumulative, start of year.....	1,622	1,662	1,722
Less:			
Suspended or terminated, cumulative, start of year.....	208	228	244
Completed, cumulative, start of year.....	1,087	1,109	1,159
Planning in process, start of year.....	327	325	319
New authorizations during year.....	40	60	60
Authorized planning in process during year.....	367	385	379
Less:			
Suspended or terminated during year.....	20	16	16
Completions during year.....	22	50	45
Planning in process, end of year.....	325	319	318

Small watershed project investigations and planning.—The Department makes surveys of proposed small watershed projects, and work plans are prepared in cooperation with local sponsors. These plans outline the soil and water management problems in the watershed, the steps that have been or are authorized to be taken to alleviate these problems, the proposed works of improvement to be installed, the estimated benefits and costs, cost-sharing and operation and maintenance arrangements, and other facts necessary to justify Federal participation in project development.

Object Classification (in thousands of dollars)

Identification code 05-78-1066-0-1-401	1972 actual	1973 est.	1974 est.
SOIL CONSERVATION SERVICE			
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	4,725	4,916	4,590
11.3 Positions other than permanent.....	139	155	158
11.5 Other personnel compensation.....	3	10	9
Total personnel compensation.....	4,867	5,081	4,757
12.1 Personnel benefits: Civilian.....	462	482	451
21.0 Travel and transportation of persons.....	313	428	450
22.0 Transportation of things.....	30	46	61
23.0 Rent, communications, and utilities.....	133	203	282
24.0 Printing and reproduction.....	83	128	185
25.0 Other services.....	146	232	500
26.0 Supplies and materials.....	60	93	136
31.0 Equipment.....	114	177	262
Total direct obligations.....	6,208	6,870	7,084
Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions.....	927	889	876
11.3 Positions other than permanent.....	40	59	59
11.5 Other personnel compensation.....	1	2	2
Total personnel compensation.....	968	950	937
12.1 Personnel benefits: Civilian.....	84	82	81
21.0 Travel and transportation of persons.....	56	67	69
22.0 Transportation of things.....	1	2	3
23.0 Rent, communications, and utilities.....	8	9	10
24.0 Printing and reproduction.....	35	42	43
25.0 Other services.....	171	204	213
26.0 Supplies and materials.....	10	12	12
31.0 Equipment.....	10	12	12
Total reimbursable obligations.....	1,343	1,380	1,380
Total obligations, Soil Conservation Service.....	7,551	8,250	8,464
ALLOCATION ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions.....	339	337	337
11.3 Positions other than permanent.....	25	28	28
Total personnel compensation.....	364	365	365
12.1 Personnel benefits: Civilian.....	39	33	33
13.0 Benefits for former personnel.....	4	-----	-----
21.0 Travel and transportation of persons.....	36	40	46
22.0 Transportation of things.....	11	4	4
23.0 Rent, communications, and utilities.....	12	3	3
25.0 Other services.....	5	10	10
26.0 Supplies and materials.....	-----	8	8
31.0 Equipment.....	4	1	1
41.0 Grants, subsidies, and contributions.....	41	68	68
Total obligations, allocation accounts.....	516	532	538
99.0 Total obligations.....	8,066	8,782	9,002
Obligations are distributed as follows:			
Soil Conservation Service.....	7,551	8,250	8,464
Forest Service.....	489	504	510
Economic Research Service.....	27	28	28

Personnel Summary

SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	400	399	394
Full-time equivalent of other positions.....	30	35	35
Average paid employment.....	431	436	429
Average GS grade.....	8.3	8.3	8.4
Average GS salary.....	\$12,643	\$12,555	\$12,772
Average salary of ungraded positions.....	\$9,560	\$9,820	\$9,820

General and special funds—Continued

WATERSHED PLANNING—Continued

Personnel Summary—Continued

	1972 actual	1973 est.	1974 est.
ALLOCATION ACCOUNTS			
Total number of permanent positions.....	23	23	23
Full-time equivalent of other positions.....	4	4	4
Average paid employment.....	25	25	25
Average GS grade.....	8.6	8.6	8.6
Average GS salary.....	\$12,745	\$13,071	\$13,070
Average salary of ungraded positions.....	\$9,835	\$9,993	\$10,001

WATERSHED AND FLOOD PREVENTION OPERATIONS

For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1001-1005, 1007-1008), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and in accordance with the provisions of laws relating to the activities of the Department, to remain available until expended, **[\$133,549,500] \$84,847,000** (of which **[\$27,374,000] \$20,125,000** shall be available for the watersheds authorized under the Flood Control Act, approved June 22, 1936 (33 U.S.C. 701, [709,] 16 U.S.C. 1006a), as amended and supplemented), with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection and flood prevention purposes: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$200,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That **[\$20,400,000** of the funds in the direct loan account of the Farmers Home Administration shall be available until expended for loans. **]** *\$20,400,000 in loans may be insured, or made to be sold and insured under the Agricultural Credit Insurance Fund of the Farmers Home Administration (86 Stat. 663).*

[For an additional amount for "Watershed and flood prevention operations" for emergency measures for runoff retardation and soil-erosion prevention, as provided by section 216 of the Flood Control Act of 1950 (33 U.S.C. 701b-1), \$16,500,000, to remain available until expended: *Provided*, That personnel hired or funds expended hereunder shall not be charged to any personnel ceiling or monetary limitation heretofore or hereafter imposed. **]** (7 U.S.C. 2201-2202; *Agriculture-Environmental and Consumer Protection Appropriation Act, 1973; Supplemental Appropriations Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-78-1072-0-1-401	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
1. Works of improvement.....	106,762	134,171	100,762
2. Loan services.....	430	642	476
Total direct program.....	107,192	134,813	101,238
Reimbursable program: Works of improvement.....	1,650	1,850	1,850
Total operating costs.....	108,842	136,663	103,088
Unfunded adjustments to total operating costs:			
Depreciation on property.....	-553	-656	-654
Office space occupied without charge..	-1,051	-1,248	-1,244
Accrued annual leave.....	473	475	480
Total operating costs, funded.....	107,711	135,234	101,670
Capital outlay:			
1. Capitalized property.....	1,261	1,400	1,410
2. Advances for future water supply.....	171	180	190
Total program costs, funded.....	109,143	136,814	103,270

Change in selected resources ¹	19,917	2,751	200
10 Total obligations.....	129,060	139,565	103,470
Financing:			
Receipts and reimbursements from:			
11 Federal funds.....	-372	-417	-417
14 Non-Federal sources.....	-707	-793	-793
21 Unobligated balance available, start of year	-1,654	-5,739	-17,413
24 Unobligated balance available, end of year	5,739	17,413	-----
Budget authority.....	132,066	150,029	84,847
Budget authority:			
40 Appropriation.....	132,099	150,050	84,847
41 Transferred to other accounts.....	-33	-21	-----
43 Appropriation (adjusted).....	132,066	150,029	84,847
Distribution of budget authority by account:			
Watershed works of improvement.....	105,379	106,157	64,722
Flood prevention.....	26,687	43,872	20,125
Relation of obligations to outlays:			
71 Obligations incurred, net.....	127,981	138,355	102,260
72 Obligated balance, start of year.....	62,476	81,963	81,201
74 Obligated balance, end of year.....	-81,963	-81,201	-72,961
90 Outlays.....	108,494	139,117	110,500
Distribution of outlays by accounts:			
Watershed works of improvement.....	83,657	97,064	86,200
Flood prevention.....	24,837	42,053	24,300

¹ Selected resources as of June 30 are as follows:

	1971	1972	1973	1974
Undelivered orders.....	50,191	70,468	73,747	73,947
Undisbursed loans.....	880	528	-----	-----
Advances.....	13	5	5	5
Total selected resources.....	51,084	71,001	73,752	73,952

Small watersheds.—The Department cooperates with the States and other agencies in installing works of improvement in small watersheds to reduce damage from floodwater, sediment, and erosion and for the conservation, development, utilization, and disposal of water. It provides loans to local organizations to help them finance their share of the costs of certain works of improvement.

MAIN WORKLOAD FACTORS

Status of projects approved for operations:	1972 actual	1973 estimate	1974 estimate
Approved, current fiscal year.....	15	45	40
Approved, cumulative at June 30.....	1,060	1,105	1,145
Completed, current fiscal year.....	28	45	35
Completed, cumulative at June 30.....	333	378	413
Work in progress at June 30.....	727	727	732

1. **Watershed works of improvement.**—The Department provides technical and financial assistance to local organizations to install the watershed works of improvement for watershed protection, flood prevention, agricultural water management, recreation, and fish and wildlife development features specified in the work plans.

(a) **Pilot demonstration watersheds.**—Sixty-two pilot watersheds were started in 1954 in cooperation with local sponsors under authority of the act of April 27, 1935 (16 U.S.C. 590a-f) to demonstrate and evaluate the effectiveness of works of improvement installed in small watersheds for watershed protection and flood prevention. As of June 30, 1972, work had been discontinued in eight projects and completed as planned in 54. The following table shows the total cost for the completed pilot watershed projects:

	1972 actual		1973 estimate	
	Number	Amount	Number	Amount
Projects undergoing repair of structural damage.....	3	\$9	1	\$35
Projects completed (cumulative and total cost) ¹	54	43,273	54	43,308
Projects discontinued (cumulative) and total cost.....	8	330	8	330
Total projects approved and total cost.....	62	43,603	62	43,638
Total obligations (cumulative).....	==	43,603	==	43,638

¹ Includes \$1,264,860 for project evaluation studies charged to project costs prior to 1960.

(b) *Public Law 566 watersheds.*—After local sponsoring organizations have developed watershed work plans with the Department's assistance or with State and local resources, and the projects have been approved as suitable for Federal participation (projects involving an estimated Federal contribution in excess of 2,500 acre-feet require congressional approval), technical services and financial assistance are provided for specified works of improvement. On non-Federal lands, local sponsoring organizations may contract for construction work or request the SCS to do

the contracting for them, operate and maintain the projects, and in the case of multiple-purpose structures, bear a share of construction costs. In addition, local organizations must acquire water rights and furnish land, easements, and rights-of-way for all structural measures except that up to one-half the cost of land, easements, and rights-of-way allocated to public fish and wildlife and recreational developments may be paid with Public Law 566 funds. Federal agencies do this work on Federal lands which they administer with appropriate contributions being made by the local people who receive benefits.

Preconstruction and land treatment and engineering services are furnished to all approved projects before they are advanced to the construction stage. During the preconstruction stage, surveys and investigations are made and detailed designs, specifications, and engineering cost estimates are prepared for construction of structural works; areas are delineated where easements are required, and technical services are furnished for accelerating planning and application of land treatment measures if provided for in the watershed work plan.

The following tabulation shows the status of Public Law 566 projects by stage of assistance and amounts obligated or estimated to be obligated. The table excludes obligation for loan services.

	1972 actual		1973 estimate		1974 estimate	
	Number	Amount	Number	Amount	Number	Amount
1. Projects approved for operations and estimated cost of completion:						
(a) Uncompleted projects at beginning of year.....	740	\$733,221	727	\$653,305	727	\$648,451
(b) Projects approved during year.....	15	21,679	45	90,000	40	80,000
Total.....	755	754,900	772	743,305	767	728,451
2. Status of projects and amounts obligated:						
(a) Projects inactive on June 30.....	68	-----	70	-----	72	-----
(b) Projects receiving preconstruction land treatment and engineering services.....	195	6,283	203	6,496	206	6,112
(c) Projects moved into construction stage during year.....	50	21,139	35	12,250	35	12,250
(d) Prior year projects continuing construction and land treatment.....	386	70,975	394	72,608	394	57,106
(e) Projects with construction completed continuing land treatment.....	28	1,336	25	1,250	25	1,250
(f) Projects completed during year.....	28	1,862	45	2,250	35	1,750
Total projects.....	755	101,595	772	94,854	767	78,468
3. Obligations not included above:						
(a) Advances for future water supply.....	-----	245	-----	245	-----	245
(b) Project evaluation studies.....	-----	104	-----	104	-----	104
(c) Undistributed equipment account.....	-----	11	-----	11	-----	11
Total.....	-----	101,955	-----	95,214	-----	78,828
4. Uncompleted projects (cumulative) at end of year:						
(a) Obligations to date.....	727	571,136	727	634,072	732	676,090
(b) Estimated cost of completion.....	727	653,305	727	648,451	732	649,983
5. Projects completed (cumulative) and total cost.....	333	185,432	378	217,350	413	253,800
6. Total project approved (cumulative) and total cost.....	1,060	1,534,575	1,105	1,624,575	1,145	1,704,575
7. Obligations (cumulative):						
Projects.....	-----	756,568	-----	851,422	-----	929,890
Other.....	-----	1,677	-----	2,037	-----	2,397
Total.....	-----	758,245	-----	853,459	-----	932,287

2. *Loans and related expense.*—Loans are made to local sponsoring organizations to finance the local cost of installing works of improvement in approved watershed projects. Repayment with interest is required within 50 years after the principal benefits of improvements have become available. Loans will be made from the Agriculture credit insurance fund of the Farmers Home Administration. Loan services related to processing and making loans will be financed from this appropriation.

Flood prevention.—1. *Works of improvement.*—The Department cooperates with soil conservation districts and other local organizations in planning and installing works of improvement for flood prevention and for furthering the conservation, development, utilization, and disposal of water in the 11 watersheds authorized by the Flood Control Act of 1944. The Federal Government shares in the cost of works of improvement for flood prevention,

General and special funds—Continued

WATERSHED AND FLOOD PREVENTION OPERATIONS—Continued

agricultural water management, recreation, fish and wildlife development facilities.

The Department furnishes additional technical and, in certain instances, financial assistance to landowners to accelerate planning and installation of land treatment measures for runoff retardation, sediment control, and water management. Local sponsoring organizations generally must furnish all land easements, and rights-of-way, water rights, except those for fish and wildlife development and recreation, and operate and maintain all completed works of improvement on private lands.

Within the 11 watersheds authorized for flood prevention work by the Flood Control Act of 1944, 397 subwatershed areas have been identified in which installation of flood prevention works of improvement is feasible. Installation progress in these subwatersheds is shown in the following table:

Subwatershed status	End of fiscal year—		
	1972	1973	1974
In construction.....	134	136	136
Completed.....	148	156	166
Not started.....	115	105	95
Total subwatersheds.....	397	397	397

2. *Loan services.*—Loans are made to local organizations to help finance their share of the costs of planned works of improvement. Repayment with interest is required within 50 years after the principal benefits of improvements first become available for this purpose. Loans will be made from funds available for this purpose from the Agriculture credit insurance fund of the Farmers Home Administration. Loan services related to processing and making loans are financed from funds available to this appropriation.

Object Classification (in thousands of dollars)

Identification code 05-78-1072-0-1-401	1972 actual	1973 est.	1974 est.
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SOIL CONSERVATION SERVICE

Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	30,744	30,429	26,927
11.3 Positions other than permanent.....	1,917	2,603	1,667
11.5 Other personnel compensation.....	575	683	514
Total personnel compensation.....	33,236	33,715	29,108
12.1 Personnel benefits: Civilian.....	3,143	3,133	2,741
13.0 Benefits for former personnel.....	6	6	5
21.0 Travel and transportation of persons.....	1,160	1,074	898
22.0 Transportation of things.....	229	249	171
23.0 Rent, communications, and utilities.....	1,081	1,118	842
24.0 Printing and reproduction.....	445	440	325
25.0 Other services.....	2,975	3,234	2,429
25.0 Construction contracts.....	31,866	42,254	25,201
26.0 Supplies and materials.....	1,517	2,137	1,297
31.0 Equipment.....	1,160	1,326	906
33.0 Investments and loans.....	278	268	200
41.0 Grants, subsidies, and contributions.....	45,272	40,740	33,533
42.0 Insurance claims and indemnities.....	3	3	3
Total direct obligations.....	122,371	129,697	97,659
Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions.....	325	312	312
11.3 Positions other than permanent.....	8	8	8
11.5 Other personnel compensation.....	3	3	3
Total personnel compensation.....	336	323	323

12.1 Personnel benefits: Civilian.....	29	28	28
21.0 Travel and transportation of persons.....	5	6	6
22.0 Transportation of things.....	4	5	5
23.0 Rent, communications, and utilities.....	6	7	7
25.0 Other services.....	571	687	687
26.0 Supplies and materials.....	11	13	13
31.0 Equipment.....	114	137	137
41.0 Grants, subsidies, and contributions.....	3	4	4

Total reimbursable obligations.....	1,079	1,210	1,210
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Total obligations, Soil Conservation Service.....	123,450	130,907	98,869
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ALLOCATION ACCOUNTS

Personnel compensation:			
11.1 Permanent positions.....	2,260	2,277	1,815
11.3 Positions other than permanent.....	1,043	1,246	957
11.5 Other personnel compensation.....	55	50	50
Total personnel compensation.....	3,358	3,573	2,822
12.1 Personnel benefits: Civilian.....	298	331	259
21.0 Travel and transportation of persons.....	104	177	72
22.0 Transportation of things.....	168	313	95
23.0 Rent, communications, and utilities.....	104	172	69
24.0 Printing and reproduction.....	7	11	5
25.0 Other services.....	383	1,100	294
26.0 Supplies and materials.....	464	823	287
31.0 Equipment.....	64	106	40
32.0 Lands and structures.....	46	88	28
33.0 Investments and loans.....	-105		
41.0 Grants, subsidies, and contributions.....	750	1,998	660
42.0 Insurance claims and indemnities.....	1		
Subtotal.....	5,642	8,692	4,631
95.0 Quarters and subsistence charges.....	-32	-34	-30
Total obligations, allocation accounts.....	5,610	8,658	4,601
99.0 Total obligations.....	129,060	139,565	103,470

Obligations are distributed as follows:

Soil Conservation Service.....	123,450	130,907	98,869
Economic Research Service.....	179	172	146
Farmers Home Administration.....	430	642	476
Forest Service.....	5,001	7,844	3,979

Personnel Summary

SOIL CONSERVATION SERVICE

Total number of permanent positions.....	2,523	2,407	2,171
Full-time equivalent of other positions.....	317	414	268
Average paid employment.....	2,839	2,801	2,423
Average GS grade.....	8.3	8.3	8.4
Average GS salary.....	\$12,643	\$12,555	\$12,772
Average salary of ungraded positions.....	\$9,560	\$9,820	\$9,820

ALLOCATION ACCOUNTS

Total number of permanent positions.....	195	201	170
Full-time equivalent of other positions.....	176	204	157
Average paid employment.....	368	390	308
Average GS grade.....	8.4	8.4	8.5
Average GS salary.....	\$12,572	\$12,882	\$12,896
Average salary of ungraded positions.....	\$9,835	\$9,993	\$10,001

GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956, as amended (16 U.S.C. 590p), **[\$18,113,500]** \$18,172,000, to remain available until expended. (7 U.S.C. 2201-2202; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-78-2268-0-1-354	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
Great Plains conservation program----	16,110	17,830	17,737
Reimbursable program:			
Great Plains conservation program----	4	6	6
Total operating costs-----	16,114	17,836	17,743
Unfunded adjustments to total operating costs:			
Depreciation on property-----	-60	-61	-62
Office space occupied without charge--	-41	-42	-42
Accrued annual leave-----	47	40	40
Total operating costs, funded-----	16,060	17,773	17,679
Capital outlay: Capitalized property----	87	91	91
Total program costs, funded-----	16,147	17,864	17,770
Change in selected resources ¹ -----	1,833	386	492
10 Total obligations-----	17,980	18,250	18,262
Financing:			
14 Receipts and reimbursements from non-Federal sources-----	-17	-15	-15
21 Unobligated balance available, start of year-----	-45	-196	-75
24 Unobligated balance available, end of year-----	196	75	-----
40 Budget authority (appropriation)---	18,114	18,114	18,172
Relation of obligations to outlays:			
71 Obligations incurred, net-----	17,963	18,235	18,247
72 Obligated balance, start of year-----	29,332	31,126	31,308
74 Obligated balance, end of year-----	-31,126	-31,308	-31,809
90 Outlays-----	16,169	18,053	17,746

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$28,566 thousand; 1972, \$30,399 thousand; 1973, \$30,785 thousand; 1974, \$31,277 thousand.

This program provides cost-sharing assistance and technical services to participating landowners or operators in the Great Plains area in the development and installation of long-term conservation plans and practices for their land. It is a voluntary program which complements other conservation programs of the Department in 465 designated counties of 10 Great Plains States. Cost-sharing contracts with individual landowners range in time from 3 to 10 years.

Plans of conservation operations are made for each farm or ranch as a basis for cost-sharing certain practices. The fundamental purposes of this program are to achieve needed land-use adjustments, conservation treatments, and economic stability of each operating unit. The planned work is installed under contract according to specific time schedules.

MAIN WORKLOAD FACTORS

Program participants:	1972 actual	1973 estimate	1974 estimate
Number of new contracts during year--	2,440	2,976	3,000
Number of contracts serviced during year-----	19,724	19,473	18,989

As of June 30, 1972, there was a backlog of 5,690 unserved applications pending and a total of 16,757 active contracts. Cooperating landowners or operators finance the entire cost of installing recurring management-type practices and pay a specified part of the cost-shared practices installed on their land.

Program regulations provide the cost-share rates offered in any contract shall not exceed 80% of the cost of installing eligible practices within the designated county.

Cost-sharing varies among practices and between States due to differences in conservation and program needs. Cost-sharing for practices that are primarily to enhance fish and wildlife and recreation resources, to promote the economic use of land, or to reduce or control agricultural related pollution is limited to not more than \$2,500 in any one contract, or one-fourth of the total Federal obligation, whichever is larger. Cost-sharing is further limited to \$2,500 for any one structure for constructing, enlarging, or sealing dams, pits or ponds for irrigation water. Cost-sharing for irrigation practices in any one contract shall not exceed \$2,500 or one-fourth of the total Federal obligation (exclusive of cost-sharing for practices for enhancing fish and wildlife and recreation resources, promoting the economic use of land, and reducing or controlling agricultural related pollutants), whichever is larger. There is also a cost-sharing limitation of \$25 thousand for any contract.

Each participant who signs a Great Plains program contract is responsible for implementing his plan of operations; and the Department is committed to furnish the necessary technical help needed for design, layout, and other services. Cooperating landowners and operators are encouraged to make use of other available assistance under local, State, and Federal programs as a means of further improving their land and water resources.

Object Classification (in thousands of dollars)

Identification code 05-78-2268-0-1-354	1972 actual	1973 est.	1974 est.
SOIL CONSERVATION SERVICE			
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions-----	4,038	4,165	4,165
11.3 Positions other than permanent-----	211	237	237
11.5 Other personnel compensation-----	4	4	4
Total personnel compensation-----	4,253	4,406	4,406
12.1 Personnel benefits: Civilian-----	404	438	438
21.0 Travel and transportation of persons--	87	85	97
22.0 Transportation of things-----	23	22	22
23.0 Rent, communications, and utilities--	106	119	119
24.0 Printing and reproduction-----	24	27	27
25.0 Other services-----	96	115	115
26.0 Supplies and materials-----	148	147	147
31.0 Equipment-----	88	92	92
41.0 Grants, subsidies, and contributions---	12,646	12,700	12,700
Total direct obligations-----	17,875	18,151	18,163
Reimbursable obligations:			
31.0 Equipment-----	17	15	15
Total obligations, Soil Conservation Service-----	17,892	18,166	18,178
ALLOCATION ACCOUNTS			
11.1 Personnel compensation: Permanent positions-----	24	24	24
12.1 Personnel benefits: Civilian-----	2	2	2
25.0 Other services-----	4	-----	-----
41.0 Grants, subsidies, and contributions---	58	58	58
Total obligations, allocation accounts-----	88	84	84
99.0 Total obligations-----	17,980	18,250	18,262
Obligations are distributed as follows:			
Soil Conservation Service-----	17,892	18,166	18,178
Agricultural Stabilization and Conservation Service-----	84	84	84
Office of Information-----	4	-----	-----

General and special funds—Continued

GREAT PLAINS CONSERVATION PROGRAM—Continued

Personnel Summary

	1972 actual	1973 est.	1974 est.
SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	331	332	332
Full-time equivalent of other positions.....	32	35	35
Average paid employment.....	361	365	365
Average GS grade.....	8.3	8.3	8.4
Average GS salary.....	\$12,643	\$12,555	\$12,772
Average salary of ungraded positions.....	\$9,560	\$9,820	\$9,820

ALLOCATION ACCOUNTS

Total number of permanent positions.....	2	2	2
Full-time equivalent of other positions.....	0	0	0
Average paid employment.....	2	2	2
Average GS grade.....	8.6	8.6	8.6
Average GS salary.....	\$13,320	\$13,550	\$13,575

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development, and for sound land use, pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1011; 76 Stat. 607), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), ["\$26,600,000"] \$8,217,000, to remain available until expended: *Provided*, That \$3,600,000 in loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (86 Stat. 663) ["\$3,600,000 of the funds available in the direct loan account of the Farmers Home Administration shall be available for loans under subtitle A of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1922-1929), and section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1011(e)), to remain available until expended"]: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 2201-2202; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-78-1010-0-1-354	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
1. Project investigations and planning.....	1,502	2,353	1,774
2. Resource development and technical services.....	14,820	19,486	16,984
3. Loan services.....	341	313	188
Total direct program.....	16,663	22,152	18,946
Reimbursable program:			
1. Project investigations and planning.....	3	3	3
2. Resource development and technical services.....	137	135	135
Total reimbursable program.....	140	138	138
Total operating costs.....	16,803	22,290	19,084
Unfunded adjustments to total operating costs:			
Depreciation of property.....	-112	-130	-135
Office space occupied without charge.....	-194	-210	-215
Accrued annual leave.....	-306	-320	-320
Total operating costs, funded.....	16,191	21,630	18,414
Capital outlay: Capitalized property.....	275	353	302
Total program costs, funded.....	16,466	21,983	18,716
Change in selected resources ¹	-66	3,244	-2,415
10 Total obligations.....	16,400	25,227	16,301

Financing:

Receipts and reimbursements from:			
11 Federal funds.....	-2	-2	-2
14 Non-Federal sources.....	-155	-153	-153
21 Unobligated balance available, start of year.....	-1,786	-6,406	-7,929
24 Unobligated balance available, end of year.....	6,406	7,929	-----
Budget authority.....	20,863	26,595	8,217
Budget authority:			
40 Appropriation.....	20,867	26,600	8,217
41 Transferred to other accounts.....	-4	-5	-----
43 Appropriation (adjusted).....	20,863	26,595	8,217
Relation of obligations to outlays:			
71 Obligations incurred, net.....	16,243	25,072	16,146
72 Obligated balance, start of year.....	5,028	5,042	9,222
74 Obligated balance, end of year.....	-5,042	-9,222	-6,113
90 Outlays.....	16,229	20,892	19,255

¹ Selected resources as of June 30 are as follows:

	1971	1972	1973	1974
Undelivered orders.....	3,861	3,939	7,183	4,768
Undisbursed loans.....	144	-----	-----	-----
Total selected resources.....	4,005	3,939	7,183	4,768

The Department cooperates with other Federal agencies, States, local units of government, groups and individuals in developing and carrying out programs and plans for resource conservation and development and shares in the cost of installing planned project measures, when justified as a public need. Loans are provided to qualified local sponsoring organizations when needed to help them finance their share of the cost of certain project measures which are in the public interest. Project measures planned will contribute to improvement in the economy of the area and to needed land use adjustments.

Technical assistance is provided in each project area approved for planning to help sponsoring organizations prepare overall plans for resource conservation and development. Project plans will have been finished and operations begun in 90 areas by June 30, 1973. Project planning will be initiated in 15 areas during 1974. Project plans will be completed in 18 areas during 1973 and 20 will be completed during 1974. The 20 project plans completed in 1974 will bring the number of areas authorized for operations by June 30, 1974, to 110.

Each project authorized for operations is provided technical assistance to help cooperating groups and individuals plan and install land treatment measures; to design and supervise installation of community-type project measures; and, to assist in the preparation of plans for resource development and economic improvement within project areas.

The main workload factors in 1974 include:

(a) Assistance to local sponsors in developing suitable plans.

(b) Operations in 110 project areas for which plans will have been completed.

(c) Acceleration of project measures installation expected to be made possible by additional State and local funds, and through the use of resource conservation and development program technical and financial assistance for eligible erosion and sediment control, flood prevention, agricultural water management, and public water-based recreation and fish and wildlife measures.

Field work under this program consists primarily of planning, designing, and supervision of installation of project measures and conservation practices, the purpose of which is to develop or improve the economic use of

natural resources. This includes outdoor recreation facilities and income-producing enterprises where needed and where consistent with good land use. Investigations, surveys, and planning are prerequisite to the operating phase of this program. Financial contributions, loans, and other Federal assistance are used to help plan and install project measures as specified in project plans.

Loans are made to qualified local organizations to help finance their share of the costs of installing project measures. Funds will be available for loans from the Agricultural Credit Insurance Fund of the Farmers Home Administration.

Object Classification (in thousands of dollars)

Identification code 05-78-1010-0-1-354	1972 actual	1973 est.	1974 est.
SOIL CONSERVATION SERVICE			
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions	7,578	8,135	6,140
11.3 Positions other than permanent	380	477	331
11.5 Other personnel compensation	42	50	45
Total personnel compensation	8,000	8,662	6,516
12.1 Personnel benefits: Civilian	771	840	600
21.0 Travel and transportation of persons	381	436	500
22.0 Transportation of things	47	60	60
23.0 Rent, communications, and utilities	298	400	400
24.0 Printing and reproduction	167	200	200
25.0 Other services	1,893	5,843	3,071
26.0 Supplies and materials	330	450	400
31.0 Equipment	250	350	300
41.0 Grants, subsidies, and contributions	2,279	6,000	3,000
42.0 Insurance claims and indemnities	1	2	2
Total direct obligations	14,417	23,243	15,049
Reimbursable obligations:			
11.1 Personnel compensation; Permanent positions	2	2	2
21.0 Travel and transportation of persons	1	1	1
23.0 Rent, communications, and utilities	1	1	1
24.0 Printing and reproduction	2	2	2
25.0 Other services	130	128	128
31.0 Equipment	21	21	21
Total reimbursable obligations	157	155	155
Total obligations, Soil Conservation Service	14,574	23,398	15,204
ALLOCATION ACCOUNTS			
Personnel compensation:			
11.1 Permanent positions	522	531	330
11.3 Positions other than permanent	3	1	1
Total personnel compensation	525	532	331
12.1 Personnel benefits: Civilian	46	47	30
21.0 Travel and transportation of persons	33	39	32
22.0 Transportation of things	1	5	4
23.0 Rent, communications, and utilities	27	16	10
24.0 Printing and reproduction	3	3	2
25.0 Other services	25	31	28
26.0 Supplies and materials	13	3	2
31.0 Equipment	1	1	1
41.0 Grants, subsidies, and contributions	1,153	1,152	657
Total obligations, allocation accounts	1,826	1,829	1,097
99.0 Total obligations	16,400	25,227	16,301
Obligations are distributed as follows:			
Soil Conservation Service	14,574	23,398	15,204
Economic Research Service	221	227	136
Extension Service	427	427	256
Farmers Home Administration	341	313	188
Forest Service	837	862	517

Personnel Summary

SOIL CONSERVATION SERVICE

Total number of permanent positions	562	587	443
Full-time equivalent of other positions	64	78	54
Average paid employment	615	653	488
Average GS grade	8.3	8.3	8.4
Average GS salary	\$12,643	\$12,555	\$12,772
Average salary of ungraded positions	\$9,560	\$9,820	\$9,820

ALLOCATION ACCOUNTS

Total number of permanent positions	38	37	23
Full-time equivalent of other positions	1	0	0
Average paid employment	40	38	23
Average GS grade	8.3	8.4	8.3
Average GS salary	\$12,454	\$12,633	\$12,648
Average salary of ungraded positions	\$9,835	\$9,993	\$10,001

PLANT MATERIALS CENTER

Program and Financing (in thousands of dollars)

Identification code 05-78-5226-0-2-354	1972 actual	1973 est.	1974 est.
Program by activities:			
Operating costs: Relocation of plant materials center, California, total operating costs	149	249	-----
Unfunded adjustments to total operating costs: Accrued annual leave	-2	-----	-----
Total operating costs, funded	147	249	-----
Capital outlay: Capitalized property	2	15	-----
Total program costs, funded	149	264	-----
Change in selected resources ¹	230	-249	-----
10 Total obligations	379	15	-----
Financing:			
21 Unobligated balance available, start of year	-394	-15	-----
24 Unobligated balance available, end of year	15	-----	-----
Budget authority			
Relation of obligations to outlays:			
71 Obligations incurred, net	379	15	-----
72 Obligated balance, start of year	53	272	-----
74 Obligated balance, end of year	-272	-----	-----
90 Outlays	160	287	-----

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$19 thousand; 1972, \$249 thousand; 1973, \$0; 1974, \$0.

Public Law 90-85, approved September 11, 1967, authorized the Secretary of Agriculture to convey to the county of Alameda, State of California, by quitclaim deed, for not less than fair market value as determined by independent appraisal, all rights, title, and interest of the United States in and to the Pleasanton Plant Materials Center, situated in Alameda County, Calif.

Section 2 of Public Law 90-85 authorized the Secretary of Agriculture to apply the proceeds of the sale of the Pleasanton Plant Materials Center to the costs of acquiring other lands or interests in land in the State of California which the Secretary deems suitable for a Plant Materials Center to be established as a replacement for the Pleasanton Plant Materials Center, to the cost of construction and alteration of buildings and the development of such other improvements and to the costs of removal to such center of the functions of the Pleasanton Plant Materials Center, including the expenses incident to the transfer of personnel,

General and special funds—Continued

PLANT MATERIALS CENTER—Continued

and the removal of equipment, planting stock, and other property.

The Pleasanton Plant Materials Center was sold to the county of Alameda, State of California, on January 20, 1970. A new nursery site to be known as the Lockeford Plant Materials Center was purchased on April 7, 1970. The land has been paid for and land conditioning has been completed. Buildings, authorized by Public Law 90-85, are in final stages of construction.

Object Classification (in thousands of dollars)

Identification code 05-78-5226-0-2-354	1972 actual	1973 est.	1974 est.
11.1 Personnel compensation: Permanent positions.....	11	-----	-----
12.1 Personnel benefits: Civilian.....	1	-----	-----
23.0 Rent, communications, and utilities.....	1	-----	-----
25.0 Other services.....	1	-----	-----
31.0 Equipment.....	-----	15	-----
32.0 Lands and structures.....	365	-----	-----
99.0 Total obligations.....	379	15	-----

Personnel Summary

Average paid employment.....	1	-----	-----
Average GS grade.....	8.3	-----	-----
Average GS salary.....	\$12,643	-----	-----
Average salary of ungraded positions.....	\$9,560	-----	-----

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation, as follows:

Agriculture:

Agricultural Stabilization and Conservation Service, "Water Bank Act Program."

Farmers Home Administration, "Technical assistance for nonmetropolitan district planning."

Executive: Appalachian Regional Commission, "Appalachian regional development programs."

Commerce:

Economic Development Administration, "Development facilities grants."

Regional Action Planning Commission, "Regional development program."

Water Resources Council, "Water resources planning."

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-78-8200-0-7-999	1972 actual	1973 est.	1974 est.
Program by activities:			
Miscellaneous contributed funds (total operating costs).....	1,136	1,319	1,341
Unfunded adjustment to total operating costs:			
Depreciation on property.....	-1	-1	-1
Office space occupied without charge.....	-10	-10	-10
Accrued annual leave.....	1	2	2
Total operating costs, funded.....	1,126	1,310	1,332
Change in selected resources ¹	136	22	-----
10 Total obligations.....	1,262	1,332	1,332
Financing:			
21 Unobligated balance available, start of year.....	-203	-292	-260
24 Unobligated balance available, end of year.....	292	260	228
60 Budget authority (appropriation) (permanent, indefinite).....	1,351	1,300	1,300
Relation of obligations to outlays:			
71 Obligations incurred, net.....	1,262	1,332	1,332
72 Obligated balance, start of year.....	296	473	459

74 Obligated balance, end of year.....	-473	-459	-491
90 Outlays.....	1,085	1,346	1,300

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$211 thousand; 1972, \$347 thousand; 1973, \$369 thousand; 1974, \$369 thousand.

Object Classification (in thousands of dollars)

Identification code 05-78-8200-0-7-999	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	619	751	751
11.3 Positions other than permanent.....	27	42	42
11.5 Other personnel compensation.....	9	12	12
Total personnel compensation.....	655	805	805
12.1 Personnel benefits: Civilian.....	62	78	78
21.0 Travel and transportation of persons.....	31	39	39
22.0 Transportation of things.....	5	6	6
23.0 Rent, communications, and utilities.....	17	18	18
24.0 Printing and reproduction.....	19	20	20
25.0 Other services.....	26	28	28
25.0 Construction.....	321	330	330
26.0 Supplies and materials.....	7	8	8
41.0 Grants, subsidies, and contributions.....	-1	-----	-----
44.0 Refunds.....	120	-----	-----
99.0 Total obligations.....	1,262	1,332	1,332

Personnel Summary

Total number of permanent positions.....	49	59	59
Full-time equivalent of other positions.....	7	8	8
Average paid employment.....	56	67	67
Average GS grade.....	8.3	8.3	8.4
Average GS salary.....	\$12,643	\$12,555	\$12,772

AGRICULTURAL MARKETING SERVICE

Federal Funds

General and special funds:

MARKETING SERVICES

For expenses necessary to carry on services related to consumer protection, agricultural marketing and distribution, and regulatory programs, other than Packers and Stockyards Act, as authorized by law, and for administration and coordination of payments to States; including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$45,000 for employment under 5 U.S.C. 3109; [\$34,210,000] \$34,865,000: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed \$7,500 or 7.5 per centum of the cost of the building, whichever is greater. (5 U.S.C. 5542; 7 U.S.C. 51-65, 71, 74-79, 84-87h, 91-59, 241-273, 386, 414a, 415b-d, 423, 440, 450, 450b, 471-476, 501-508, 511-511q, 516-517, 581-590, 591-599, 1291, 1292 note, 1379c, 1561-1610, 1621-1627, 2101-2119, 2201-2202, 2220, 2248, 2259-2260, 2301-2306, 2321-2331, 2351-2357, 2371-2372, 2401-2404, 2421-2427, 2441-2443, 2461-2463, 2481-2486, 2501-2504, 2531-2532, 2541-2545, 2561-2569, 2581-2583; 15 U.S.C. 714-714p; 21 U.S.C. 1031-1056; 26 U.S.C. 4817, 4826, 4851-4854, 4861-4865, 4871-4877, 6001, 6804, 7233, 7235(c), 7263, 7452-7493, 7701; 31 U.S.C. 725d; Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-81-2500-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
1. Market news service.....	8,430	8,670	9,180
2. Inspection, grading, classing, and standardization:			
(a) Meat and poultry inspection.....	101,522	-----	-----
(b) All other.....	18,136	21,999	22,497

3. Regulatory activities.....	5,589	6,109	6,304
4. Administration and coordination of State payments.....	145	150	150
Total direct program.....	133,822	36,928	38,131
Reimbursable program:			
1. Market news service.....	341	413	413
2. Inspection, grading, classing, and standardization:			
(a) Commodity Credit Corporation.....	840	1,575	1,575
(b) U.S. Grain Standards Act.....	1,041	1,360	1,360
(c) All other.....	15,010	1,230	1,230
3. Regulatory activities.....	3	2	2
4. Administration and coordination of State payments (AID).....	45	48	48
Total reimbursable program (costs—obligations).....	17,280	4,628	4,628
Total program costs, funded ¹	151,102	41,556	42,759
Change in selected resources ²	12,376	-----	-----
10 Total obligations.....	163,478	41,556	42,759
Financing:			
Receipts and reimbursements from:			
11 Federal funds:			
Limitation on administrative expenses, Commodity Credit Corporation.....	-2,800	-2,857	-3,041
Commodity Credit Corporation funds for:			
Grading and classing agricultural commodities.....	-840	-1,575	-1,575
Warehouse examination.....	-200	-225	-225
Miscellaneous reimbursements.....	-491	-695	-695
14 Non-Federal sources:			
U.S. Grain Standards Act.....	-1,449	-1,300	-1,300
Miscellaneous reimbursements.....	-14,908	-998	-998
21 Unobligated balance available, start of year.....	-581	-989	-929
24 Unobligated balance available, end of year.....	989	929	869
25 Unobligated balance lapsing.....	861	236	-----
Budget authority.....	144,059	34,082	34,865
Budget authority:			
40 Appropriation.....	180,927	34,210	34,865
41 Transferred to other accounts.....	-38,554	-128	-----
42 Transferred from other accounts.....	1,686	-----	-----
43 Appropriation (adjusted).....	144,059	34,082	34,865
Relation of obligations to outlays:			
71 Obligations incurred, net.....	142,791	33,906	34,925
72 Obligated balance, start of year.....	6,190	853	1,127
74 Obligated balance, end of year.....	-853	-1,127	-1,401
77 Adjustments in expired accounts.....	194	-----	-----
90 Outlays.....	148,322	33,632	34,651

¹ Includes capital outlay as follows: 1972, \$485 thousand; 1973, \$125 thousand; 1974, \$125 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$218 thousand (1972 adjustments, \$190 thousand); 1972, \$12,784 thousand; 1973, \$12,784 thousand; 1974, \$12,784 thousand.

These activities assist producers and handlers of agricultural commodities through various marketing and regulatory services. These services continue to expand and become more complex as the volume of agricultural commodities increases, as a greater number of new processed commodities are developed, and as the market structure undergoes dramatic changes. Marketing changes include increased concentration in food retailing, direct buying, decentralization of processing, growth of interregional competition, vertical integration, and contract farming. The individual activities include:

1. *Market news service.*—This service provides current information on supply, movement, and prices at specific

markets for practically all agricultural commodities. This day-to-day market information enables American farmers to determine where and when to sell and at what price. The information is collected and disseminated at year-round and seasonal offices maintained in more than 140 cities and towns, often with local and other support and cooperation, generally from State departments of agriculture. Dissemination is made primarily by radio, television, and mimeographed reports. The volume of work performed is indicated by examples given in the following table:

MARKET NEWS SERVICE

	1970 actual	1971 actual	1972 actual
States covered by cooperative agreement.....	43	42	42
Field offices:			
Year-round.....	172	168	168
Seasonal.....	40	39	38
Buyers and sellers interviewed.....	17,073	17,025	18,268
Mimeographed releases to growers, shippers, and others.....	19,200,918	17,072,659	16,501,805
Names on mailing list.....	197,610	214,262	187,604

2. *Inspection, grading, classing, and standardization.*—
(a) *Meat and poultry inspection.*—The inspection activities previously carried out under this subappropriation item by the former Consumer and Marketing Service were transferred to the Animal and Plant Health Inspection Service which was established on April 1, 1972, in accordance with Secretary's Memorandum No. 1762, Supplement I, dated March 22, 1972. Narrative statements describing the programs and performance of these activities are included in this volume under the Animal and Plant Health Inspection Service. The level of costs, financing, and outlays relating to obligations incurred under these activities prior to April 1, 1972, are included under this Marketing Services account.

(b) *All other (inspection, grading, classing, and standardization).*—Nationally uniform standards of quality for agricultural products are established and applied to specific lots of products to: Promote confidence between buyers and sellers; reduce hazards in marketing due to misunderstandings and disputes arising from the use of nonstandard descriptions; encourage better preparation of uniform quality products for market; and furnish consumers with more definite information on the quality of products they buy. The standards are applied by or under the supervision of Federal employees at the request of any interested party, and generally for a fee. Approximately 75% of the total cost of this work was offset by fees and other revenue in 1972.

STANDARDIZATION ACTIVITIES

	1970 actual	1971 actual	1972 actual
Standards in effect, June 30.....	501	509	510
Number of commodities covered.....	316	317	319

INSPECTION, GRADING, AND CLASSING ACTIVITIES UNDER APPROPRIATED FUNDS

	1972 actual	1973 estimate	1974 estimate
Cotton classing by Federal employees (samples).....	11,779,328	14,000,000	14,000,000
Grain inspections by licensees.....	2,675,104	2,900,000	3,000,000
Volume inspected (thousand tons).....	194,176	210,000	213,000
Tobacco auction markets.....	176	176	176
Volume inspected at markets (million pounds).....	1,684	1,790	1,750
Sets of buyers.....	234	234	234

3. *Regulatory activities.*—These include the administration of regulatory laws such as the United States Warehouse and Federal Seed Acts to assure fair play in the

General and special funds—Continued

MARKETING SERVICES—Continued

marketplace, to protect producers and handlers of agricultural commodities from financial loss due to careless or fraudulent marketing practices, and to preserve free and open competition in the marketing of farm products. Assistance is also provided to farmers and others in obtaining and maintaining equitable and reasonable transportation rates and services on farm products and supplies. The Cotton Research and Promotion Act is designed to improve the competitive position and expand markets for cotton through a program of self-assessment by cotton producers. The Service also administers the Wheat Research and Promotion Act, Agricultural Fair Practices Act of 1967, and the Plant Variety Protection Act.

The volume of work performed is indicated by examples given in the following table:

REGULATORY ACTIVITIES

	1972 actual	1973 estimate	1974 estimate
Warehouse Act:			
Number of licensed warehouses.....	1,748	1,822	1,856
Capacity of licensed warehouses:			
Grain (million bushels).....	1,877	1,900	1,920
Cotton (million bales).....	13.5	14.1	14.2
Average number of supervisory inspections per warehouse:			
Grain.....	1.84	1.65	2.2
Cotton.....	2.83	1.90	2.2
Seed Act:			
Import actions.....	6,728	7,800	7,800
Interstate investigations			
Completed.....	752	1,000	1,000
Pending.....	1,015	500	500
Seed samples tested.....	11,639	12,000	13,100
Transportation services:			
Formal litigation.....	82	68	68
Informal negotiations.....	35	32	32

4. *Administration and coordination of State payments.*—This project covers Federal activity required in administering and coordinating the marketing service work performed by the States and financed jointly by State funds and Federal funds provided by the appropriation, Payments to States and possessions. In 1972 this work was carried on in 46 States and 143 work projects.

Object Classification (in thousands of dollars)

Identification code 05-81-2500-0-1-335	1972 actual	1973 est.	1974 est.
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	88,178	20,114	20,366
11.3 Positions other than permanent.....	6,436	4,320	4,320
11.5 Other personnel compensation.....	2,254	440	440
Total personnel compensation.....	96,868	24,874	25,126
12.1 Personnel benefits: Civilian.....	8,642	2,234	2,258
13.0 Benefits for former personnel.....	22	-----	-----
21.0 Travel and transportation of persons.....	6,789	2,632	2,875
22.0 Transportation of things.....	879	498	498
23.0 Rent, communications, and utilities.....	3,601	2,184	2,189
24.0 Printing and reproduction.....	584	250	250
25.0 Other services.....	4,347	3,792	4,467
26.0 Supplies and materials.....	715	336	340
31.0 Equipment.....	540	127	127
41.0 Grants, subsidies, and contributions.....	23,206	-----	-----
42.0 Insurance claims and indemnities.....	5	1	1
Total direct obligations.....	146,198	36,928	38,131
Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions.....	3,851	1,969	1,969

11.3 Positions other than permanent.....	392	823	823
11.5 Other personnel compensation.....	11,654	359	359
Total personnel compensation.....	15,897	3,151	3,151
12.1 Personnel benefits: Civilian.....	362	243	243
21.0 Travel and transportation of persons.....	255	442	442
22.0 Transportation of things.....	42	84	84
23.0 Rent, communications, and utilities.....	172	219	219
24.0 Printing and reproduction.....	36	15	15
25.0 Other services.....	474	425	425
26.0 Supplies and materials.....	24	37	37
31.0 Equipment.....	17	12	12
42.0 Insurance claims and indemnities.....	1	-----	-----
Total reimbursable obligations.....	17,280	4,628	4,628
99.0 Total obligations.....	163,478	41,556	42,759

Personnel Summary

Direct:			
Total number of permanent positions.....	1,650	1,597	1,621
Full-time equivalent of other positions.....	825	476	476
Average paid employment.....	8,323	1,927	1,942
Average GS grade.....	8.5	8.4	8.5
Average GS salary.....	\$12,688	\$12,728	\$13,413
Reimbursable:			
Total number of permanent positions.....	125	142	142
Full-time equivalent of other positions.....	90	94	94
Average paid employment.....	485	250	250

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), **["\$2,500,000"] \$1,600,000.** (*Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-81-2501-0-1-355	1972 actual	1973 est.	1974 est.
Program by activities:			
10 Payment for marketing service work (sec. 204(b) of the Agricultural Marketing Act of 1946) (costs—obligations) (object class 41.0).....	1,600	1,600	1,600
Financing:			
25 Unobligated balance lapsing.....	-----	900	-----
40 Budget authority (appropriation).....	1,600	2,500	1,600
Relation of obligations to outlays:			
71 Obligations incurred, net.....	1,600	1,600	1,600
90 Outlays.....	1,600	1,600	1,600

Payments are made on a matching fund basis to State marketing agencies for carrying out specifically approved marketing service programs designed to bring about improved marketing. Under this activity, marketing specialists work with farmers, marketing firms, and agencies in solving marketing problems and in utilizing marketing research results.

This program covers such projects as: Methods of maintaining and improving the quality of products; ways of reducing marketing costs; expanding outlets for surplus products; collecting and disseminating special State and local market information and statistics; and improving the organizational structure of the marketing system. Through this cooperative approach, the Federal Government's leadership and money are coupled with State

resources and experience to aid in the solution of the most urgent local and area marketing problems.

STATE PAYMENTS ACTIVITY

Activity	1971 actual	1972 actual	1973 estimate
Number of States participating	44	46	45
Number of projects	143	143	130

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY
(SECTION 32)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; (3) not more than \$3,314,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961; and (4) in addition to other amounts provided in this Act, not more than \$502,193,000 \$508,560,000 (including not to exceed \$2,000,000 for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended, of which \$53,225,000 \$60,600,000 shall be available for the nonschool feeding program; and (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food. (*Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-81-5209-0-2-351	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
1. Commodity program payments:			
(a) Direct purchases	266,185	230,827	226,867
(b) Export payments	2,321	2,500	
(c) Financial assistance to States	17,659	16,700	14,000
2. Special feeding program	323,467	567,446	508,560
3. Surplus removal operating expenses	7,084	8,050	8,050
4. Marketing agreements and orders	2,588	3,314	3,314
Total direct program	619,304	828,837	760,791
Reimbursable program:			
3. Surplus removal operating expenses (total)	714	423	209
Total program costs, funded ¹	620,018	829,260	761,000
Change in selected resources ²	-5,540		
10 Total obligations	614,478	829,260	761,000
Financing:			
11 Receipts and reimbursements from: Federal funds	-714	-423	-209
17 Recovery of prior year obligations	-62		
21 Unobligated balance available, start of year	-300,000	-194,473	-177,399
24 Unobligated balance available, end of year	194,473	177,399	121,960
Budget authority	508,175	811,763	705,352
Budget authority:			
60 Appropriation (permanent, indefinite, special fund)	765,887	959,087	930,000
61 Transferred to other accounts	-257,713	-147,324	-224,648
63 Appropriation (adjusted)	508,175	811,763	705,352
Relation of obligations to outlays:			
71 Obligations incurred, net	613,702	828,837	760,791
72 Obligated balance, start of year	119,689	140,176	177,956

74 Obligated balance, end of year	-140,176	-177,956	-189,301
90 Outlays	593,215	791,057	749,446

¹ Includes capital outlay as follows: 1972, \$77 thousand; 1973, \$41 thousand; 1974, \$41 thousand.

² Selected resources as of June 30 are as follows:

	1971	1972 adjust-ments	1972	1973	1974
Stores	5,610		10,177	10,717	10,177
Undelivered orders	83,240	-62	73,071	73,071	73,071
Total selected resources	88,850	62	83,248	83,248	83,248

Under section 32 of the act of August 24, 1935, as amended (7 U.S.C. 612c), 30% of customs receipts collected during each calendar year plus unused balances up to \$300 million are available for expanding outlets for farm commodities. An amount equal to 30% of receipts collected on fishery products is transferred to the Department of Commerce to encourage the distribution of such products. As provided in recent appropriation acts, other transfers have been made from this fund primarily to the child nutrition programs for the purchase and distribution of agricultural commodities and cash reimbursements for meals served. Section 32 funds are also authorized for the administration of marketing agreements and orders. The basic legislation provides that funds devoted to any one commodity or product thereof must not exceed 25% of funds available. It also provides that the funds must be devoted principally to perishable agricultural commodities other than those receiving price support under title II of the Agricultural Act of 1949, as amended. It has been determined that this provision can be legally satisfied by setting aside or reserving the principal portion of section 32 funds for the use of perishable nonbasic agricultural commodities.

1. *Commodity program payments* are of five types: (a) *Direct purchases* are donated to schools, summer camps, child-care centers, nonprofit institutions serving needy persons, persons certified by welfare as eligible for relief, and disaster victims; (b) *diversion payments* enable processors to purchase surplus commodities on the domestic market, divert them to byproducts and new uses, and sell them at prices comparable to competing products, thus creating new markets for surplus commodities; (c) *export payments* enable exporters to purchase surplus commodities on the domestic market and sell them on the world market at competitive world prices; (d) *production payments* help to reestablish farmers' purchasing power; (e) *financial assistance* to States enable State distributing agencies to improve the distribution system supplying commodities to needy families. During the past 2 years, assistance under these programs was given to the following commodity groups (in millions of dollars):

OBLIGATIONS

	1971	1972
Dairy products	63.6	16.0
Eggs and poultry	55.7	83.3
Fats and oils	2.7	1.3
Fruits and vegetables	49.7	59.2
Grain products	12.8	13.9
Livestock products	99.0	99.7
Peanut butter	15.9	.1
Miscellaneous	14.3	17.7
Total ¹	313.7	291.2

¹ Includes special feeding program commodities purchased for special food packages donated in food stamp areas: \$11.0 in fiscal year 1971 and \$8.9 in fiscal year 1972.

General and special funds—Continued

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY
(SECTION 32)—Continued

The use of section 32 program funds is contingent upon marketing conditions. The estimates for both 1973 and 1974 reflect the foreseeable needs for perishables and other activities regularly financed with section 32 funds. If troublesome surpluses not now foreseen should develop, steps will be taken to use additional available funds for their removal or diversion as conditions might warrant.

Funds have been used for the certification and distribution of food to needy families in selected counties where local governmental agencies are unwilling or unable to operate food distribution programs.

2. The *special feeding program* was initiated in 1969 to meet the urgent need for providing additional foods to needy children and adults who are determined to be suffering from general and continued hunger. The funds provided are channeled primarily through the child feeding programs authorized by the School Lunch and Child Nutrition Acts.

Working with the Department of Health, Education, and Welfare and the Office of Economic Opportunity, the Department developed a distribution system to provide special food packages for infants, and expectant and new mothers. These packages are being distributed in both food stamp and commodity donation areas. Funds have also been used for conducting a pilot food certificate program designed to increase the food purchasing power of expectant and new mothers and infants through the issuance of certificates to be exchanged at their local grocery for certain commodities.

3. *Surplus removal operating expenses* occur mainly in connection with purchasing, diverting, and exporting surplus commodities, and in distributing section 32 and Commodity Credit Corporation commodities to eligible outlets. Distribution in 1972, including that under section 6 of the National School Lunch Act, is summarized below (in millions):

Distribution	Number of recipients (peak month)	Value of commodities distributed	Pounds of commodities distributed
By recipients:			
Schoolchildren.....	25.6	\$315.1	1,183.8
Needy persons.....	3.6	313.6	1,234.6
Persons in charitable institutions.....	1.3	26.1	125.0
Total.....		654.8	2,543.4
By program:			
Section 32.....		282.7	994.4
Donation by Commodity Credit Corporation, section 416.....		308.1	1,290.1
Section 6, National School Lunch Act.....		64.0	258.9
Total.....		654.8	2,543.4

In cooperation with the food trade, press, and radio, greater consumption of abundant foods is encouraged through publication of a monthly plentiful foods list and conducting various food drives. In 1972 the monthly plentiful foods list contained an average of eight foods. Twenty-one national and two area, State, and local drives were conducted.

4. *Marketing agreements and orders* are put into effect upon request of producers or handlers after hearings and investigations, and upon approval of producers (handlers in the case of marketing agreements). They help to stabilize prices, and benefit producers and consumers by

establishing and maintaining orderly marketing conditions. Administration at the local level is financed by assessment upon handlers. On June 30, 1972, there were in effect 62 orders for milk, 49 agreements and orders for tree fruits, nuts, and vegetables, and one order for shade-grown tobacco. The expenses of advisory committees established to advise the Secretary, public hearings, referenda to determine producer sentiment, and other developmental work as authorized by the Agricultural Act of 1961 are also financed under this project.

Object Classification (in thousands of dollars)

Identification code 05-81-5209-0-2-351	1972 actual	1973 est.	1974 est.
AGRICULTURAL MARKETING SERVICE			
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	3,825	4,148	4,100
11.3 Positions other than permanent.....	84	63	63
11.5 Other personnel compensation.....	6	7	7
Total personnel compensation.....	3,915	4,218	4,170
12.1 Personnel benefits: Civilian.....	332	372	372
21.0 Travel and transportation of persons.....	214	204	204
22.0 Transportation of things.....	11,461	10,243	9,542
23.0 Rent, communications, and utilities.....	278	150	198
24.0 Printing and reproduction.....	201	148	148
25.0 Other services.....	2,136	2,407	2,359
26.0 Supplies and materials.....	40	38	38
26.0 Grants of commodities to States.....	258,421	230,885	216,674
31.0 Equipment.....	69	26	26
41.0 Grants, subsidies, and contributions.....	2,908	2,500	-----
Total direct obligations.....	279,975	251,191	233,731
Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions.....	591	313	157
11.3 Positions other than permanent.....	5	6	2
11.5 Other personnel compensation.....	1	-----	-----
Total personnel compensation.....	597	319	159
12.1 Personnel benefits: Civilian.....	57	29	14
21.0 Travel and transportation of persons.....	4	5	1
23.0 Rent, communications, and utilities.....	17	22	11
24.0 Printing and reproduction.....	8	10	2
25.0 Other services.....	13	16	2
26.0 Supplies and materials.....	13	16	15
31.0 Equipment.....	5	5	5
Total reimbursable obligations.....	714	423	209
Total obligations, Agricultural Marketing Service.....	280,689	251,614	233,940
FOOD AND NUTRITION SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	2,855	3,103	2,836
11.3 Positions other than permanent.....	121	97	182
11.5 Other personnel compensation.....	18	19	35
Total personnel compensation.....	2,994	3,219	3,053
12.1 Personnel benefits: Civilian.....	264	285	256
21.0 Travel and transportation of persons.....	212	260	314
22.0 Transportation of things.....	19	25	22
23.0 Rent, communications, and utilities.....	167	190	210
24.0 Printing and reproduction.....	102	242	250
25.0 Other services.....	330	250	343
26.0 Supplies and materials.....	22	30	32
31.0 Equipment.....	13	20	20
41.0 Grants, subsidies, and contributions.....	329,666	573,125	522,560
Total obligations, Food and Nutrition Service.....	333,789	577,646	527,060
99.0 Total obligations.....	614,478	829,260	761,000

Personnel Summary

	1972 actual	1973 est.	1974 est.
AGRICULTURAL MARKETING SERVICE			
Total number of permanent positions.....	307	312	311
Full-time equivalent of other positions.....	10	14	14
Average paid employment.....	328	322	312
Average GS grade.....	8.5	8.4	8.5
Average GS salary.....	\$12,688	\$12,728	\$13,413
FOOD AND NUTRITION SERVICE			
Total number of permanent positions.....	272	253	231
Full-time equivalent of other positions.....	21	17	27
Average paid employment.....	262	270	230
Average GS grade.....	8.2	8.3	8.3
Average GS salary.....	\$11,836	\$11,956	\$12,050

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY
(SECTION 32)

(Supplemental now requested)

Program and Financing (in thousands of dollars)

Identification code 05-81-5209-1-2-351	1972 actual	1973 est.	1974 est.
Program by activities:			
10 Special feeding program (costs—obligations).....		21,960	
Financing:			
21 Unobligated balance available, start of year.....			21,960
24 Unobligated balance available, end of year.....		-21,960	-21,960
Budget authority.....			
Relation of obligations to outlays:			
71 Obligations incurred, net.....		21,960	
90 Outlays.....		21,960	

A narrative statement, describing the purpose of this request, and proposed appropriation language are included in Part III of this volume.

PERISHABLE AGRICULTURAL COMMODITIES ACT FUND

Program and Financing (in thousands of dollars)

Identification code 05-81-5070-0-2-355	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
Licensing dealers and handling complaints.....	676	1,346	1,346
Reimbursable program:			
Printing Agricultural decisions.....	10	7	7
Total program costs, funded ¹	687	1,353	1,353
Change in selected resources ²	73		
10 Total obligations.....	760	1,353	1,353
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-10	-7	-7
17 Recovery of prior year obligations.....	-1		
21 Unobligated balance available, start of year.....	-252	-161	-171
24 Unobligated balance available, end of year.....	161	171	181

60 Budget authority (appropriation) (permanent, indefinite, special fund).....	658	1,356	1,356
Relation of obligations to outlays:			
71 Obligations incurred, net.....	749	1,346	1,346
72 Obligated balance, start of year.....	74	117	119
74 Obligated balance, end of year.....	-117	-119	-121
90 Outlays.....	705	1,344	1,344

¹ Includes capital outlay as follows: 1972, \$12 thousand; 1973, \$15 thousand; 1974, \$15 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$0; 1972, \$73 thousand; 1973, \$73 thousand; 1974, \$73 thousand.

License fees are deposited in this special fund and are used to meet costs of administering the Perishable Agricultural Commodities and the Produce Agency Acts (7 U.S.C. 491-497, 499a-499s). The law currently provides that annual license fees may be set at a maximum of \$100. Effective July 1, 1972, the fee was increased from \$60 to \$75.

The acts are intended to assure equitable treatment to farmers and others in the marketing of fresh and frozen fruits and vegetables. Commission merchants, dealers, and brokers handling these products in interstate and foreign commerce are licensed. Complaints of violations are investigated and violations dealt with by (a) informal agreements between the two parties, (b) formal decisions involving payment of reparation awards, and (c) suspension or revocation of license and/or publication of the facts.

WORKLOAD FACTORS

Activity	1970 actual	1971 actual	1972 actual
Number of reparation actions completed.....	14,795	15,930	16,573
Number of disciplinary actions completed.....	140	163	160
Number of misbranding actions completed.....	1,250	1,019	1,115
Number of license actions completed.....	18,873	18,151	18,539
Personal investigations completed.....	1,409	1,233	1,470

Object Classification (in thousands of dollars)

Identification code 05-81-5070-0-2-355	1972 actual	1973 est.	1974 est.
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	492	1,070	1,070
11.3 Positions other than permanent.....	12	19	19
11.5 Other personnel compensation.....	1	1	1
Total personnel compensation.....	505	1,090	1,090
12.1 Personnel benefits: Civilian.....	85	99	99
21.0 Travel and transportation of persons.....	44	48	48
22.0 Transportation of things.....	1	3	3
23.0 Rent, communications, and utilities.....	46	42	42
24.0 Printing and reproduction.....	21	15	15
25.0 Other services.....	20	27	27
26.0 Supplies and materials.....	15	7	7
31.0 Equipment.....	13	15	15
Total direct obligations.....	750	1,346	1,346
Reimbursable obligations:			
24.0 Printing and reproduction.....	10	7	7
99.0 Total obligations.....	760	1,353	1,353

Personnel Summary

Total number of permanent positions.....	87	91	91
Full-time equivalent of other positions.....	3	3	3
Average paid employment.....	85	85	85
Average GS grade.....	8.5	8.5	8.5
Average GS salary.....	\$12,688	\$12,728	\$13,413

Trust Funds**AGRICULTURAL MARKETING SERVICE TRUST FUNDS****Program and Financing (in thousands of dollars)**

Identification code 05-81-9999-0-7-355	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Expenses and refunds, inspection and grading of farm products:			
(a) Dairy products.....	3,287	3,599	3,850
(b) Fruits and vegetables.....	17,820	14,918	15,251
(c) Meat grading.....	9,548	10,011	10,173
(d) Meat inspection.....	325		
(e) Poultry products.....	7,950	8,182	8,502
(f) Miscellaneous agricultural commodities.....	4,143	4,293	4,357
2. Miscellaneous contributed funds.....	37	60	10
Total program costs, funded ¹	43,109	41,063	42,143
Change in selected resources ²	1,698		
10 Total obligations.....	44,807	41,063	42,143
Financing:			
17 Recovery of prior year obligations.....	-2		
21 Unobligated balance available, start of year.....	-8,495	-3,334	-2,400
23 Unobligated balance transferred to other accounts.....	253		
24 Unobligated balance available, end of year.....	3,334	2,400	916
60 Budget authority (appropriation) (permanent, indefinite).....	39,898	40,129	40,659
Distribution of budget authority by account:			
Expenses and refunds, inspection and grading of farm products.....	39,848	40,069	40,649
Miscellaneous contributed funds.....	50	60	10
Relation of obligations to outlays:			
71 Obligations incurred, net.....	44,805	41,063	42,143
72 Obligated balance, start of year.....	2,496	3,341	5,165
74 Obligated balance, end of year.....	-3,341	-5,165	-7,831
90 Outlays.....	43,961	39,239	39,477
Distribution of outlays by account:			
Expenses and refunds, inspection and grading of farm products.....	43,919	39,181	39,467
Miscellaneous contributed funds.....	42	58	10

¹ Includes capital outlay as follows: 1972, \$89 thousand; 1973, \$116 thousand; 1974, \$116 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$55 thousand (1972 adjustments, -\$2 thousand); 1972, \$1,751 thousand; 1973, \$1,751 thousand; 1974, \$1,751 thousand.

1. *Expenses and refunds, inspection and grading of farm products.*—An inspection and grading service for products is provided on request. These services are supported primarily by fees paid by users. A limited amount of direct appropriation is available which covers a portion of the public benefit service. The schedules reflect expenses paid from fees received (7 U.S.C. 91-99 (1621-1627)). The volume of work is shown below (in millions of pounds):

Commodity	1972 actual	1973 estimate	1974 estimate
Cotton testing, micronaire (number of samples).....	1,522	550	550
Dairy products, graded.....	2,954	2,856	2,900
Fresh fruits and vegetables, graded.....	59,170	61,472	63,208
Processed fruits and vegetables, graded:			
Canned products.....	7,505	8,000	8,250
Frozen, dried, and miscellaneous.....	5,698	5,900	6,150
Meat and meat products, graded.....	19,579	21,131	20,771
Poultry products, graded:			
Shell eggs (million dozen).....	1,933	1,930	2,000

Processed eggs.....	860	886	910
Poultry.....	8,066	8,552	9,002
Grain and related products, graded.....	14,596	15,162	15,182

Object Classification (in thousands of dollars)

Identification code 05-81-9999-0-7-355	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	31,531	27,950	28,423
11.3 Positions other than permanent.....	1,359	1,930	1,930
11.5 Other personnel compensation.....	2,107	1,940	1,940
Total personnel compensation.....	34,997	31,820	32,293
12.1 Personnel benefits: Civilian.....	2,566	2,719	2,764
13.0 Benefits for former personnel.....	1	1	1
21.0 Travel and transportation of persons.....	2,401	1,758	2,328
22.0 Transportation of things.....	182	185	187
23.0 Rent, communications, and utilities.....	693	757	762
24.0 Printing and reproduction.....	208	258	258
25.0 Other services.....	3,244	3,185	3,167
26.0 Supplies and materials.....	407	235	237
31.0 Equipment.....	107	140	141
42.0 Insurance claims and indemnities.....	1	5	5
99.0 Total obligations.....	44,807	41,063	42,143

Personnel Summary

Total number of permanent positions.....	2,371	2,387	2,208
Full-time equivalent of other positions.....	253	245	182
Average paid employment.....	2,468	2,440	2,173
Average GS grade.....	8.5	8.4	8.5
Average GS salary.....	\$12,688	\$12,728	\$13,413

MILK MARKET ORDERS ASSESSMENT FUND**Program and Financing ¹ (in thousands of dollars)**

Identification code 05-81-8412-0-8-351	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Administration.....	16,118	17,310	17,987
2. Marketing service.....	2,446	2,294	2,250
10 Total obligations.....	18,564	19,604	20,237
Financing:			
14 Receipts and reimbursements from:			
Non-Federal sources:			
Administration: Revenue.....	-16,734	-17,131	-17,750
Marketing services: Revenue.....	-2,355	-2,249	-2,200
Nonoperating: Interest revenue.....	-623	-567	-550
21 Unobligated balance available, start of year.....	-11,626	-12,947	-13,290
24 Unobligated balance available, end of year.....	12,947	13,290	13,553
32 Sale or redemption of securities.....	-173		
Budget authority.....			
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-1,148	-343	-263
72 Obligated balance, start of year.....	1,092	1,527	1,473
74 Obligated balance, end of year.....	-1,527	-1,473	-1,473
90 Outlays.....	-1,583	-289	-263

¹ Administrative fund totals are comprised of 62 separate independent order accounts in 1972. The Marketing service fund totals are comprised of 52 separate independent order accounts in 1972.

The Secretary of Agriculture is authorized by the Agricultural Marketing Agreement Act of 1937, as amended—under certain conditions—to issue Federal milk marketing orders establishing minimum prices which handlers are required to pay for milk purchased from producers.

Market administrators are responsible for carrying out locally the terms of specific marketing orders. Their operating expenses, partly financed by assessments on regulated handlers and partly by deductions from pro-

ducers, are reported in these schedules. These funds are collected locally, deposited in local banks, and disbursed directly by the market administrator.

Each milk order is administered locally by a market administrator who is appointed by the Secretary. His staff is employed directly by the market administrator.

The activities conducted in the local office are concerned primarily with monthly computations and public announcement of class and uniform blend prices, associated butterfat differentials, examination of handlers records, and facilities to verify their reports and payments to producers, and in checking weights and tests of producer milk.

The expenses of each local office are met from an administrative fund and a marketing service fund which are prescribed in each order. The administrative fund is derived from prorated handler assessments. The marketing service fund of the individual order provides for the expense of disseminating market information to producers who are not members of a qualified cooperative. It also provides for the verification of the weights, sampling, and testing of milk from these producers. The cost of these services is borne by such producers.

The maximum rates for administrative assessment and for marketing services are set forth in each order and adjustments below these rates are made from time to time upon recommendations by the market administrator and upon approval of the Agricultural Marketing Service to provide reserves at about a 6-month operating level. Upon termination of any order, the statute provides for distributing the proceeds from net assets pro rata to contributing handlers or producers as the case may be.

Milk sold by regulated handlers supplied almost 143 million persons in calendar year 1971.

The following table gives an indication of the growing role of Federal orders on the marketing of milk over the past few years:

	Calendar year				
	1967	1968	1969	1970	1971
Population of market areas (millions).....	103.6	117.0	122.3	125.4	142.9
Producer deliveries (billion pounds).....	53.761	56.441	61.026	65.104	67.855
Producer deliveries used in class I (billion pounds).....	34.412	36.484	39.219	40.063	40.246
Number of producers.....	140,657	141,651	144,275	143,165	141,113

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Operating income or loss:			
Administrative fund:			
Revenue.....	16,734	17,131	17,750
Expense.....	-16,118	-17,310	-17,987
Net operating income or loss, administrative fund.....	616	-179	-237
Marketing service fund:			
Revenue.....	2,355	2,249	2,200
Expense.....	-2,446	-2,294	-2,250
Net operating loss, marketing service fund.....	-91	-45	-50
Net operating income or loss, total.....	525	-224	-287
Nonoperating income:			
Interest revenue.....	623	567	550
Net income for the year.....	1,148	343	263

Financial Condition (in thousands of dollars)

	1971 actual	1972 actual	1973 est.	1974 est.
Assets:				
Cash in banks.....	11,067	13,233	13,590	13,853
U.S. securities (par value)....	1,651	1,068	1,000	1,000
Accounts receivable, net.....	521	241	200	200
Other.....	173	-----	-----	-----
Total assets.....	13,412	14,542	14,790	15,053
Liabilities:				
Accounts payable and accrued liabilities.....	1,613	1,595	1,500	1,500
Government equity:				
Unobligated balance.....	11,626	12,947	13,290	13,553
Investments in non-Federal securities.....	173	-----	-----	-----
Total Government equity.....	11,799	12,947	13,290	13,553

Analysis of Changes in Government Equity (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Retained earnings:			
Start of year.....	11,799	12,947	13,290
Net income for the year.....	1,148	343	263
Total Government equity (end of year).....	12,947	13,290	13,553

Object Classification (in thousands of dollars)

Identification code 05-81-8412-0-8-351	1972 actual	1973 est.	1974 est.
11.1 Personnel compensation: Permanent positions.....	13,618	14,299	14,736
12.1 Personnel benefits: Civilian.....	1,320	1,430	1,474
21.0 Travel and transportation of persons.....	1,198	1,200	1,330
23.0 Rent, communications, and utilities.....	1,623	1,788	1,803
25.0 Other services.....	302	333	335
26.0 Supplies and materials.....	357	393	397
31.0 Equipment.....	146	161	162
99.0 Total obligations.....	18,564	19,604	20,237

Personnel Summary ¹

Total number of permanent positions.....	879	875	875
Full-time equivalent of other positions.....	21	25	25
Average paid employment.....	890	890	890
Average salary, grades recommended by Agricultural Marketing Service.....	\$13,221	\$13,883	\$14,307

¹ Excludes New York-New Jersey order operated under Federal and State orders.

FOOD AND NUTRITION SERVICE

Federal Funds

General and special funds:

CHILD NUTRITION PROGRAMS

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1761); Public Law 91-248 and the applicable provisions other than section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1773-1785); [Public Law 91-248,] [\$526,136,000] \$690,918,000, of which [\$54,840,000] \$135,306,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided*, That of the foregoing total amount there shall be available [\$237,047,000] \$237,040,000 for special assistance to needy schoolchildren, [\$18,500,000] \$60,000,000 [(of which \$6,500,000 shall be placed in contingency reserve to be released on determination of need)] for the school breakfast program, [\$15,000,000] \$16,110,000 for the nonfood assistance program, \$1,500,000 for State administrative expenses, and [\$20,775,000] \$20,000,000

General and special funds—Continued

CHILD NUTRITION PROGRAMS—Continued

for special food service programs for children: *Provided further*, That funds provided herein shall remain available until expended in accordance with section 3 of the National School Lunch Act, as amended: *Provided further*, That no part of this appropriation shall be used for nonfood assistance under section 5 of the National School Lunch Act, as amended: *Provided further*, That an additional \$64,325,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act, as amended: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109. (*Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-84-3539-0-1-702	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Cash payments to States:			
(a) School lunch program.....	224,403	225,747	348,000
(b) Special assistance.....	236,823	246,002	237,040
(c) School breakfast program.....	24,311	19,935	60,000
(d) Nonfood assistance program.....	15,897	15,000	16,110
(e) State administrative expenses.....	1,483	1,500	1,500
(f) Nonschool food program.....	31,358	20,775	20,000
2. Commodity procurement.....	63,340	64,325	64,325
3. Nutritional training and surveys.....	605	1,000	1,000
4. Operating expenses.....	6,114	6,940	7,325
Total program costs, funded ¹	604,334	601,224	755,300
Change in selected resources ²	5	-----	-----
10 Total obligations.....	604,339	601,224	755,300
Financing:			
21 Unobligated balance available, start of year	-19,280	-10,827	-57
24 Unobligated balance available, end of year	10,827	57	-----
Budget authority.....	595,886	590,454	755,243
Budget authority:			
Current:			
40 Appropriation.....	363,876	471,296	555,612
41 Transferred to other accounts.....	-33	-7	-----
43 Appropriation (adjusted).....	363,843	471,289	555,612
Permanent:			
62 Transferred from other accounts.....	232,043	119,165	199,631
63 Appropriation (adjusted).....	232,043	119,165	199,631
Relation of obligations to outlays:			
71 Obligations incurred, net.....	604,339	601,224	755,300
72 Obligated balance, start of year.....	69,424	51,545	48,196
74 Obligated balance, end of year.....	-51,545	-48,196	-54,268
77 Adjustments in expired accounts.....	-24	-----	-----
90 Outlays.....	622,194	604,573	749,228

¹ Includes capital outlay as follows: 1972, \$5 thousand; 1973, \$10 thousand; 1974, \$10 thousand; excludes downward adjustment of \$24 thousand in prior year costs.

² Selected resources as of June 30 are as follows:

	1971	1972	1973	1974
Undelivered orders.....	3	8	8	8
Advances.....	141	141	141	141
Total selected resources....	144	149	149	149

The child nutrition programs have been greatly strengthened and expanded by the passage of three significant laws within the past 2½ years. Public Law 91-248, which became law on May 14, 1970, clearly established that priority shall be given to reaching needy children, and provided for the establishment of a national

minimum eligibility standard for free and reduced price meals and a maximum price which might be charged for these meals. This law emphasized that access to the school lunch program should be available to children in all schools.

Public Law 92-153, enacted November 5, 1971, increased Federal support for the national school lunch program by mandating a minimum \$0.40 rate in special assistance (sec. 11) for free lunches, and a lesser minimum rate for reduced price lunches. This law also authorized an average rate of reimbursement of \$0.06 per meal within each State.

The most recent of the child nutrition legislation is Public Law 92-433, enacted September 26, 1972. In addition to authorizing an increase in the average rate of reimbursement from 6 cents per meal to 8 cents within each State, the new law also provides for higher eligibility standards for free and reduced price lunches and for funding on a performance basis for section 4 lunches and the breakfast program.

1. *Cash payments to States.*—The programs are operated under an agreement entered into by the State educational agency and the Department. Funds are advanced under letters of credit to State agencies for use in reimbursing participating schools and child-care institutions. Sponsors make application to the State agency and, if accepted, are reimbursed in accordance with the terms of their agreement. In fiscal year 1974, however, funding for the school lunch program (sec. 4) and the breakfast program will be strictly on a performance basis.

(a) *School lunch program.*—Assistance in the form of both funds and food is provided to the States, as defined in the National School Lunch Act, for serving lunches to schoolchildren. At the present time, each State's portion of the section 4 general-assistance funds available is determined by a statutory formula. The formula takes into account the participation rate in the State, and the relationship between the per capita income of the State and the average U.S. per capita income. States must match the Federal cash grant from sources within the State at a 3-to-1 ratio. For States with below average per capita income, this ratio is decreased. In 1972, sources within the State contributed \$1,661 million to this program, most of which came from children's payments. Beginning in fiscal year 1974, State revenue matching requirements will be based on the level of section 4 payments received the preceding fiscal year.

The program during the peak month in fiscal year 1972 provided lunches daily to about 57% of the approximately 40.7 million children in daily attendance. The number of lunches served increased approximately 3% over fiscal 1971. Participation in the program in May 1972 reached a daily average of about 24.1 million children in 83,339 schools and a significant increase is expected in 1973.

(b) *Special assistance.*—At the present time, special cash assistance may be provided to any school which has needy children in attendance. The statutory formula for apportionment of funds to States relates to children from families with incomes of less than \$4 thousand per year. Increased funding provided a Federal average cash reimbursement rate of 38 cents per free or reduced price meal, in addition to the average of 6 cents per meal from section 4 funds in fiscal year 1972. A daily average of approximately 7.9 million children were served 1,275 million free or reduced price lunches. At the end of the 1971-72 school year, 8.4 million children were receiving free or reduced price lunches. The increases for fiscal 1973

should provide lunches for a daily average of 8.9 million needy children this school year.

The recently enacted Public Law 92-433 gives States the option of serving free and reduced price lunches to the children of families whose incomes are as much as 25% (for free lunches) and 50% (for reduced price lunches) above the Secretary's poverty income guidelines.

(c) *School breakfast program.*—The Child Nutrition Act of 1966 authorized a school breakfast program for 2 years on a pilot basis to assist States through grants-in-aid and other means to initiate, maintain, or expand nonprofit breakfast programs in schools. Public Laws 92-32 and 92-153 extended the breakfast program through fiscal year 1973 and provided higher eligibility standards.

At the present time, funds are apportioned to States by a statutory formula. While the basic payments are limited to food assistance, in circumstances of severe need financial assistance may be authorized for up to 100% of the additional assistance needed.

Presently, the breakfast program is operated in schools drawing attendance from areas in which poor economic conditions exist and where a substantial portion of the children enrolled travel long distances. In fiscal year 1972, an average of 1,032,000 children were served 167.7 million breakfasts in 7,830 schools. About 80% of the breakfasts were served free or at token charges to children. In fiscal year 1973, it is estimated that a daily average of 1,818,000 children will participate.

Public Law 92-433 provides for the breakfast program to be available to all schools that make application and that funding be on a performance basis in 1974.

(d) *Nonfood assistance program.*—The Child Nutrition Act of 1966 authorized a permanent program to assist the States through grants-in-aid and other means to supply schools in low-income areas with food service equipment, other than land or buildings. Under the Public Law 92-433 amendments, 50% of the funds for equipment assistance are reserved for use in schools without food service. These funds are apportioned on the basis of the ratio of the number of children enrolled in schools without a food service in the State to the total number of children enrolled in schools without a food service in all States. State and local sources must bear 25% of the cost of the equipment or facilities financed under this authority, except in schools that are determined by the State to be especially needy.

The remaining funds are apportioned on the basis of the ratio of the number of lunches served in each State to the total number of lunches served in all States. All schools which receive equipment must agree to take part in the national school lunch program and/or the school breakfast program. They must also justify their need for assistance on a project basis and submit a detailed description of the equipment to be acquired, including their proposals for its use in meeting the nutritional needs of children.

In fiscal year 1972, a total of 6,950 schools with a total attendance of 3.0 million students received equipment assistance of about \$18 million. This included section 32 funds and provided assistance in all 50 States, the District of Columbia, Guam, Puerto Rico, and American Samoa.

(e) *State administrative expenses.*—The Child Nutrition Act of 1966 provides for advances to each State educational agency for administrative expenses. These funds are used for supervising and giving technical assistance to the local school districts and service institutions for additional activities undertaken by them to reach more children

under the school lunch, special assistance, school breakfast, nonfood assistance, and nonschool food programs.

(f) *Nonschool food program.*—The National School Lunch Act was amended in 1968 to authorize a pilot program for 3 years to assist States to initiate, maintain, or expand nonprofit food service programs for children in service institutions where children are not maintained in residence. Public Law 92-433, approved September 26, 1972, extends the program through fiscal year 1975. Preschool children receive year-round assistance in child day-care centers. School-age children from areas of economic need and from areas with a high concentration of working mothers receive assistance during the summer months.

Each State may receive a basic grant of \$50 thousand. The remaining funds are apportioned determined by the ratio of the number of children (aged 3 to 17 inclusive) from families with incomes under \$3 thousand per year in each State, to the total number of such children in all States. Up to 80% of the total cost of meals served may be paid in cases of severe need, and not more than 75% of the equipment costs may be paid to the institutions. All meals served must meet minimum nutritional standards as a condition for receiving assistance.

In fiscal year 1972, 76.8 million meals were served to an average of 1.0 million children in the summer program, which included July-August 1971 and June 1972. This was more than double the number of meals served in the fiscal 1971 summer program. Each child received an average of 1.5 meals per day at a cost of approximately 51 cents per child. Approximately 104.5 million meals were served in the fiscal 1972 year-round program to an average of 192,000 children. Each child received about 2.2 meals per day at a cost of about 37.4 cents per child.

2. *Commodity procurement.*—Commodity procurement under section 6 of the National School Lunch Act provides additional commodities to schools to supplement foods purchased locally or otherwise made available for the lunch program. As amended by Public Law 91-248, these commodities may also be used to supplement the school breakfast and nonschool food programs. Section 6 procurement helps to insure nutritionally adequate meals and appreciation for quality foods. It also broadens agricultural markets. Commodities are purchased by the Department on the basis of their nutritional value and acceptability to schools and service institutions.

Protein items of chicken and meat accounted for approximately two-thirds of the purchases in fiscal year 1972. The remaining one-third consisted of fruits and vegetables.

Commodities acquired under programs that strengthen markets, income, and supply are also available to schools and child-care institutions. The volume of these commodities distributed depends upon market conditions.

During fiscal 1972 \$1.6 billion worth of agricultural commodities and other foods were used. About 20% of this amount represented commodities contributed under section 6 and the Federal programs for strengthening markets, income, and supply. Approximately 80% was purchased through local suppliers.

3. *Nutritional training and surveys.*—Up to 1% of the total funds available may be used for nutritional training and for studies and surveys of food service requirements, as provided for in Public Law 91-248.

In fiscal year 1973, emphasis will be placed on the training of nutrition education specialists at the State level and survey of food use in the schools.

4. *Operating expenses.*—Administrative and technical assistance is furnished to State agencies, participating

General and special funds—Continued

CHILD NUTRITION PROGRAMS—Continued

schools and child-care institutions. Policies, procedures, and standards are developed for administering the programs and determining eligibility. The programs are administered directly in private schools where the State educational agency is prohibited by law from disbursing funds and in child-care institutions where no State agency has assumed the responsibility for administering the program. Participation in the programs from 1971 through 1974 is as follows:

CASH PAYMENTS TO STATES

	1971 actual	1972 preliminary	1973 estimate	1974 estimate
Total, school lunch:				
Lunches served (million).....	3,848.3	3,955.9	4,250.0	4,350.0
Children reached (average) (million).....	23.7	24.4	25.7	26.4
Average Federal reimbursement (cents).....	13.9	19.1	22.8	23.2
(a) School lunch—section 4: Lunches served (million).....	3,848.3	3,955.9	4,250.0	4,350.0
Average Federal reimbursement (cents).....	5.9	6.4	8.0	8.0
(b) Free and reduced-price lunches:				
Lunches served (million).....	1,005.7	1,274.7	1,467.0	1,549.0
Children reached (average) (million).....	6.2	7.9	8.9	9.4
Average Federal reimbursement (cents).....	30.7	39.4	42.8	42.8
School breakfast:				
Breakfast served (million).....	125.5	167.7	300.0	345.0
Children reached (average) (thousand).....	796	1,032	1,818	2,091
Average Federal reimbursement (cents).....	16.1	15.8	17.4	17.4
Nonfood assistance:				
Schools equipped.....	15,378	6,950	6,300	6,300
Program.....	13,775	5,742	5,000	5,000
No program.....	1,603	1,208	1,300	1,300
Average contribution per school:				
Program.....	\$1,794	\$1,600	\$1,600	\$1,600
No program.....	\$7,290	\$6,050	\$6,050	\$6,050
Nonschool food program:				
Meals served (million).....	109.6	181.3	260.0	325.5
Year-round.....	80.6	104.5	137.5	176.5
Summer.....	29.0	76.8	122.5	149.0

FINANCING OF PROGRAMS

[In millions of dollars]

	1971 actual	1972 actual	1973 estimated	1974 estimated
State and local contributions (total, including payments by children).....	1,683.5	1,660.6	1,757.0	1,762.0
Federal financing:				
Cash payments to States: ¹				
(a) School lunch.....	225.8	252.6	340.0	348.0
(b) Special assistance.....	309.2	502.0	² 620.0	663.0
(c) School breakfast.....	20.2	26.6	⁴ 52.3	60.0
(d) Nonfood assistance.....	37.1	17.8	16.1	16.1
(e) State administrative expenses.....	3.5	3.2	3.5	3.5
(f) Nonschool food program.....	21.0	42.6	65.0	80.6
Subtotal.....	616.8	844.8	1,096.9	1,171.2
Commodity procurement (section 6).....	² 64.3	² 64.0	64.3	64.3
Nutritional training and surveys.....	.7	.6	1.0	1.0
Surplus commodity distribution.....	² 214.9	² 251.1	243.3	249.4
Special milk program.....	92.3	95.0	96.4	24.4
Federal contributions.....	989.0	1,255.5	1,501.9	1,510.3
Total, all contributions.....	2,672.5	2,916.1	3,258.9	3,272.3

¹ Includes special section 32 funds.² Distribution.³ Includes carryover funds and proposed section 32 supplemental.⁴ Includes carryover funds.

Object Classification (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Identification code 05-84-3539-0-1-702			
Personnel compensation:			
11.1 Permanent positions.....	3,376	3,976	4,097
11.3 Positions other than permanent.....	79	86	160

11.5 Other personnel compensation.....	40	70	75
Total personnel compensation.....	3,495	4,132	4,332
12.1 Personnel benefits: Civilian.....	290	341	363
21.0 Travel and transportation of persons.....	406	525	525
22.0 Transportation of things.....	13	38	25
23.0 Rent, communications, and utilities.....	157	208	206
24.0 Printing and reproduction.....	138	195	225
25.0 Other services.....	2,150	2,369	2,499
26.0 Supplies and materials.....	49	75	85
26.0 Grants of commodities to States.....	63,340	64,325	64,325
31.0 Equipment.....	26	57	65
41.0 Grants, subsidies, and contributions.....	534,275	528,959	682,650
99.0 Total obligations.....	604,339	601,224	755,300

Personnel Summary

Total number of permanent positions.....	292	315	325
Full-time equivalent of other positions.....	12	13	22
Average paid employment.....	284	323	336
Average GS grade.....	8.2	8.3	8.3
Average GS salary.....	\$11,836	\$11,956	\$12,050

SPECIAL MILK PROGRAM

For necessary expenses to carry out the provisions of the special milk program, as authorized by section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1772), [\$97,123,000] \$25,000,000. (Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Identification code 05-84-3502-0-1-702			
Program by activities:			
1. Cash payments to States.....	95,027	96,374	24,351
2. Operating expenses.....	702	741	649
Total program costs, funded ¹	95,729	97,115	25,000
Change in selected resources ²	-1	-	-
10 Total obligations.....	95,728	97,115	25,000
Financing:			
21 Unobligated balance available, start of year	-1,910	-1,949	-1,949
24 Unobligated balance available, end of year	1,949	1,949	1,949
25 Unobligated balance lapsing.....	8,233	8	-
40 Budget authority (appropriation).....	104,000	97,123	25,000
Relation of obligations to outlays:			
71 Obligations incurred, net.....	95,728	97,115	25,000
72 Obligated balance, start of year.....	15,030	16,827	19,917
74 Obligated balance, end of year.....	-16,827	-19,917	-6,917
77 Adjustments in expired accounts.....	-379	-	-
90 Outlays.....	93,552	94,025	38,000

¹ Includes capital outlay as follows: 1972, \$5 thousand; 1973, \$3 thousand; 1974, \$3 thousand; excludes downward adjustment of \$379 thousand in prior year costs.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$1 thousand; 1972, \$0; 1973, \$0; 1974, \$0.

1. *Cash payments to States.*—This program was designed to increase the consumption of fluid milk by children in nonprofit schools of high school grade and under, child-care centers, summer camps, and similar nonprofit institutions.

Funds are provided to State agencies to reimburse eligible participants for a part of the cost of fluid milk consumed. Beginning in 1968, available funds were apportioned among the States on the basis of payments made to schools and child-care institutions for program reimbursement during the preceding fiscal year. In especially needy schools, reimbursement payments may be made for the full cost of this milk for children who are unable to pay.

In 1972, over 2.5 billion half-pints of fluid milk were consumed by children—over five times the quantity in 1955, the first year of operation of the program. This represents almost 3% of the total nonfarm consumption of the fluid milk in the United States.

The need for a separate special milk program in schools that have food service no longer exists as every lunch or breakfast contains a half-pint of milk. However, since all schools do not have a lunch and/or breakfast program, the special milk program will continue in these no-program schools until they institute a food service program.

The funds projected for 1974 would provide milk for approximately 4.5 million children in over 15,000 schools. This should be sufficient to cover all schools without food service programs in 1974.

Program activities for 1971 and 1972 are as follows:

	1971 actual	1972 actual
Outlet participation.....	97,584	94,008
Half-pints of milk reimbursed (millions).....	2,570	2,501
Average reimbursement rate per half-pint (cents).....	3.59	3.80

2. *Operating expenses.*—Administrative and technical assistance is furnished to State agencies, participating schools, and child-care institutions. Policies, procedures, and standards are developed for administering the program and determining eligibility. The program is administered directly in outlets where no State agency has assumed the responsibility for its administration, or where such agencies are prohibited by law from disbursing funds to such participants.

Object Classification (in thousands of dollars)

Identification code 05-84-3502-0-1-702	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	510	538	396
11.3 Positions other than permanent.....	5	-----	-----
11.5 Other personnel compensation.....	6	7	15
Total personnel compensation.....	521	545	411
12.1 Personnel benefits: Civilian.....	43	45	34
21.0 Travel and transportation of persons.....	56	52	68
22.0 Transportation of things.....	2	3	3
23.0 Rent, communications, and utilities.....	26	29	46
24.0 Printing and reproduction.....	3	5	5
25.0 Other services.....	45	55	75
26.0 Supplies and materials.....	3	4	4
31.0 Equipment.....	2	3	3
41.0 Grants, subsidies, and contributions.....	95,027	96,374	24,351
99.0 Total obligations.....	95,728	97,115	25,000

Personnel Summary

Total number of permanent positions.....	48	48	28
Average paid employment.....	47	48	35
Average GS grade.....	8.2	8.3	8.3
Average GS salary.....	\$11,836	\$11,956	\$12,050

FOOD STAMP PROGRAM

For necessary expenses of the food stamp program pursuant to the Food Stamp Act of 1964, as amended, [“\$2,500,000,000, of which \$158,854,000 shall be placed in contingency reserve by the Office of Management and Budget to be released upon determination of need”] \$2,200,000,000. (7 U.S.C. 2011-2025, *Agriculture-Environmental and Consumer Protection Appropriation Act, 1973*; additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 05-84-3505-0-1-702	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Program costs.....	1,895,702	2,169,997	2,171,560
2. Operating expenses.....	20,931	23,335	24,190
Total program costs, funded ¹.....	1,916,633	2,193,332	2,195,750
Change in selected resources ².....	198	-----	-----
10 Total obligations.....	1,916,831	2,193,332	2,195,750
Financing:			
25 Unobligated balance lapsing.....	368,207	302,322	-----
Budget authority.....	2,285,038	2,495,654	2,195,750
Budget authority:			
40 Appropriation.....	2,289,214	2,500,000	2,200,000
41 Transferred to other accounts.....	-4,176	-4,346	-4,250
43 Appropriation (adjusted).....	2,285,038	2,495,654	2,195,750
Relation of obligations to outlays:			
71 Obligations incurred, net.....	1,916,831	2,193,332	2,195,750
72 Obligated balance, start of year.....	15,962	23,495	24,413
74 Obligated balance, end of year.....	-23,495	-24,413	-24,413
77 Adjustments in expired accounts.....	-132	-----	-----
90 Outlays.....	1,909,166	2,192,414	2,195,750

¹ Includes capital outlay as follows: 1972, \$76 thousand; 1973, \$85 thousand; 1974, \$95 thousand; excludes downward adjustment of \$132 thousand in prior year costs.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$3,854 thousand; 1972, \$4,052 thousand; 1973, \$4,052 thousand; 1974, \$4,052 thousand.

The Food stamp program helps persons and families with low incomes to buy subsidized food through regular retail stores. Participating households purchase enough food stamps to provide a nutritionally adequate diet, paying a price for the stamps which is determined by household size and income. Households with no income receive free stamps.

Food stamp programs are established at the request of State social service agencies, which assume responsibility for certifying eligible households and issuing stamps. The Federal Government bears the full cost of the stamps, but administrative costs are shared between Federal and State governments.

Legislation in 1971 extensively revised the Food stamp program, establishing nationwide uniform income and resource eligibility standards, simplifying certification and issuing procedures, and intensifying outreach efforts.

The legislation also required cost-of-living increases in food stamp allotments. The first increase was effective on July 1, 1972, when, for example, the allotment for a family of four rose from \$108 to \$112 a month.

Participation in the program is expected to decline somewhat in 1974 because: (1) Able-bodied adults are now required to register for and accept work or training as a condition of eligibility, (2) the decreasing unemployment rate will remove some persons from participation, (3) the supplemental security income program and higher social security benefits will make some persons ineligible for food stamps, and (4) the management reforms in public assistance will eliminate some ineligibles currently using food stamps.

The Food Stamp program now requires State agencies to implement a quality control system to assess the general accuracy of determinations of household eligibility, purchase requirements, and allotments made by employees of

General and special funds—Continued

FOOD STAMP PROGRAM—Continued

certifying agencies. The system will be operating nationwide in fiscal year 1974.

In fiscal year 1973, elderly participants over 60 years of age who were physically handicapped, feeble, or could not prepare all of their meals, were permitted to use their food stamps to pay for meals delivered to their home through various volunteer activities commonly referred to as meals on wheels. There were 366 nonprofit meal delivery services in 37 States and the District of Columbia authorized to participate in June 1972.

FOOD STAMP PROGRAM DATA

[In millions of dollars]

	1971 actual	1972 actual	1973 estimate	1974 estimate
Number of areas by year-end.....	2,026	2,126	2,228	2,470
Number of participants at year-end.....	10,518,149	11,667,929 ¹	12,103,000	10,525,000
Total value coupons issued.....	\$2,711.6	\$3,308.2	\$3,760.7	\$3,762.9
Amount paid by participants.....	\$1,188.6	\$1,465.7	\$1,654.7	\$1,655.3
Value of bonus stamps issued.....	\$1,523.1	\$1,842.5	\$2,106.0	\$2,107.6
Federal costs:				
Program.....	\$1,559.1	\$1,896.0	\$2,170.0	\$2,171.6
Administrative.....	\$17.8	\$20.9	\$23.3	\$24.2

¹ Preliminary.

Object Classification (in thousands of dollars)

Identification code 05-84-3505-0-1-702	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	14,639	16,063	16,142
11.3 Positions other than permanent.....	280	228	395
11.5 Other personnel compensation.....	107	170	200
Total personnel compensation.....	15,026	16,461	16,737
12.1 Personnel benefits: Civilian.....	1,377	1,505	1,479
21.0 Travel and transportation of persons.....	1,274	1,334	1,769
22.0 Transportation of things.....	541	1,558	1,522
23.0 Rent, communications, and utilities.....	909	1,372	1,364
24.0 Printing and reproduction.....	11,605	12,664	12,394
25.0 Other services.....	16,635	17,638	16,986
26.0 Supplies and materials.....	125	160	150
31.0 Equipment.....	65	111	70
41.0 Grants, subsidies, and contributions.....	1,869,274	2,140,529	2,143,279
99.0 Total obligations.....	1,916,831	2,193,332	2,195,750

Personnel Summary

Total number of permanent positions.....	1,352	1,431	1,431
Full-time equivalent of other positions.....	55	45	65
Average paid employment.....	1,342	1,409	1,429
Average GS grade.....	8.2	8.3	8.3
Average GS salary.....	\$11,836	\$11,956	\$12,050

FOREST SERVICE

The Service carries on three primary functions: (1) Protection, development, and use of about 187 million acres of land in national forests and national grasslands in the United States and Puerto Rico; (2) forestry research for all public and private forest lands and related ranges to improve protection from fire, insects, and diseases; to increase production of timber, forage, water, and other products; to improve methods for developing and managing recreation resources; to develop better utilization and marketing of forest products; and to maintain a current inventory of forest resources through a nation-

wide forest survey; and (3) cooperation with States and private landowners to obtain better fire protection on approximately 574 million acres of forest land and non-forest watersheds and in rural communities; to provide technical advice and financial assistance to promote development, improvement, and expansion of forest pest detection and suppression programs; to improve forest practices on about 393 million acres of State and local government and privately owned commercial timberlands; to enhance environmental values associated with use of trees in urban and community areas; and to encourage reforestation and stimulate development and management of State, county, and community forests.

These primary functions include construction and maintenance of roads and trails, control of forest pests, protection against floods, land acquisition and exchange, and a number of cooperative projects.

Federal Funds

General and special funds:

FOREST PROTECTION AND UTILIZATION

For expenses necessary for forest protection and utilization, as follows:

Forest land management: For necessary expenses of the Forest Service, not otherwise provided for, including the administration, improvement, development, and management of lands under Forest Service administration, fighting and preventing forest fires on or threatening such lands and for liquidation of obligations incurred in the preceding fiscal year for such purposes, control of white pine blister rust and other forest diseases and insects on Federal and non-Federal lands, implementation of forest advanced logging and conservation systems including necessary research and development related thereto, [\$255,604,000] \$246,324,000, of which \$4,275,000 for fighting and preventing forest fires and \$1,910,000 for insect and disease control shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, to the extent necessary under the then existing conditions: *Provided*, That funds appropriated for "Cooperative range improvements", pursuant to section 12 of the Act of April 24, 1950 (16 U.S.C. 580h), may be advanced to this appropriation: *Provided further*, That funds appropriated for the cooperative law enforcement program shall remain available until expended.

Forest research: For forest research at forest and range experiment stations, the Forest Products Laboratory, or elsewhere, as authorized by law, [\$61,143,000] \$57,275,000.

State and private forestry cooperation: For cooperation with States in forest-fire prevention and suppression, in forest tree planting on non-Federal public and private lands, and in forest management and processing, and for advising timberland owners, associations, wood-using industries, and others in the application of forest management principles and processing of forest products, as authorized by law, [\$32,760,000] \$23,760,000. (7 U.S.C. 1010-1012, 1621-1627, 2201, 2202, 2250; 16 U.S.C. 207c, 471-583i, 594-1-594-5, 594a, 1004, 1015; 30 U.S.C. 601-604, 611-615; 31 U.S.C. 534; 42 U.S.C. 1891-1893; 43 U.S.C. 1181h-1181j; 36 Stat. 557-579; 67 Stat. 633; Public Law 92-419; Department of the Interior and Related Agencies Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-96-1100-0-1-402	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
1. Forest land management:			
(a) National forest protection and management.....	217,357	229,129	225,615
(b) Water resource development related activities.....	3,779	3,996	4,022
(c) Fighting forest fires.....	60,761	4,275	4,275
(d) Insect and disease control.....	10,760	11,985	10,585
(e) Cooperative law enforcement program.....	67	3,936	2,527
(f) Acquisition of lands.....	259	-----	-----
Total, forest land management.....	292,983	253,321	247,024

2. Forest research:			
(a) Forest and range management.....	22,152	22,436	22,588
(b) Forest protection.....	13,933	17,092	17,208
(c) Forest products and engineering.....	10,559	10,538	10,609
(d) Forest resource economics.....	6,831	6,824	6,870
(e) Forest research construction.....	13		
Total forest research.....	53,488	56,890	57,275
3. State and private forestry cooperation:			
(a) Forest fire control.....	18,081	16,000	16,000
(b) Forest tree planting.....	295	325	325
(c) Forest management and processing.....	4,555	5,000	5,000
(d) General forestry assistance.....	4,747	2,435	2,435
Total State and private forestry cooperation.....	27,678	23,760	23,760
Total direct program.....	374,149	333,971	328,059
Reimbursable program:			
1. Forest land management:			
(a) National forest protection and management.....	3,316	2,924	3,080
(c) Fighting forest fires.....	3,235	3,200	3,200
(d) Insect and disease control.....	22	20	20
Total forest land management.....	6,573	6,144	6,300
2. Forest research:			
(a) Forest and range management.....	1,004	645	645
(b) Forest protection.....	672	860	860
(c) Forest products and engineering.....	28	175	175
(d) Forest resource economics.....	20	20	20
Total forest research.....	1,724	1,700	1,700
3. State and private forestry cooperation:			
(a) Forest fire control.....	477	500	500
Total reimbursable program.....	8,774	8,344	8,500
Total program costs, funded ¹	382,923	342,315	336,559
Change in selected resources ²	1,475	1,000	
10 Total obligations.....	384,398	343,315	336,559
Financing:			
Receipts and reimbursements from:			
11 Federal funds.....	-8,085	-7,444	-7,600
13 Trust funds.....	-4,600		
14 Non-Federal sources.....	-1,322	-1,600	-1,600
21 Unobligated balance available, start of year.....	-12	-7,297	
23 Unobligated balance transferred to other accounts.....		22,105	
24 Unobligated balance available, end of year.....	7,297		
25 Unobligated balance lapsing.....	1,247		
Budget authority.....	378,923	349,079	327,359
Budget authority:			
40 Appropriation.....	379,441	349,507	327,359
41 Transferred to other accounts.....	-518	-428	
43 Appropriation (adjusted).....	378,923	349,079	327,359
Relation of obligations to outlays:			
71 Obligations incurred, net.....	370,391	334,271	327,359
72 Obligated balance, start of year.....	40,260	36,605	34,800

74 Obligated balance, end of year.....	-36,605	-34,800	-32,712
77 Adjustments in expired accounts.....	405		
90 Outlays.....	374,450	336,076	329,447

¹ Includes capital outlay as follows: 1972, \$9,192 thousand; 1973, \$9,300 thousand; 1974, \$9,200 thousand.

² Selected resources as of June 30 are as follows:

	1971	1972 adjust- ments	1972	1973	1974
Stores.....	4,342		3,992	3,992	3,992
Undelivered orders.....	18,027	782	20,609	21,605	21,605
Advances.....	21		46	50	50
Total selected resources.....	22,390	782	24,647	25,647	25,647

1. *Forest land management.*—(a) *National forest protection and management.*—The 154 national forests and 19 units of national grasslands are managed under multiple use and sustained yield principles. The natural resources of outdoor recreation, range, timber, watershed, and wildlife are utilized in a planned combination that will best meet the needs of the Nation without impairing productivity of the land and that will be environmentally acceptable. The management and utilization principles were recognized in the Multiple Use-Sustained Yield Act of June 12, 1960 (74 Stat. 215). Work programs and budget estimates are related to meeting the increased demands for specific national forest resource needs through 1974 and for long-term objectives to the year 2000. Increases are provided in the budget to further attainment of these program objectives. Funds appropriated under Cooperative range improvements are merged with this appropriation for obligational purposes.

MAIN WORKLOAD FACTORS

Description	1972 actual	1973 estimate	1974 estimate
Area administered and protected:			
(a) National forest lands (acres) ..	183,141,958	183,200,000	183,250,000
(b) National grasslands (acres) ..	3,807,653	3,807,653	3,807,653
(c) Land utilization projects (acres) ..	151,509	151,509	151,509
Timber managed and protected (billion board feet) ..	1,015	1,011	1,008
Timber sales (number) ..	137,528	150,000	150,000
Timber harvested (billion board feet) ..	11.7	12.2	11.8
Grazing use permits (calendar year):			
Paid.....	17,872	17,100	17,000
Exempt.....	80,000	80,000	80,000
Estimated number of livestock on National forest ranges (mature animals) ..	3,297,500	3,230,000	3,200,000
Special use permits, excluding recreation (number) ..	48,300	48,950	51,500
Recreation special use permits (number) ..	25,800	25,900	26,000
Estimated number of visitor-days to national forests (calendar year) ..	182,400,000	190,300,000	198,200,000
Tree planting and seeding (acres) ..	109,367	131,480	153,300
Timber stand improvement (acres treated) ..	191,041	227,870	108,600
Range reseeding and removal of competing vegetation (acres) ..	152,000	150,000	128,700
Receipts (in thousands):			
National forests fund:			
Timber sales.....	\$321,015	\$387,000	\$345,000
Grazing.....	4,856	5,960	6,240
Power.....	205	210	210
Recreation.....	3,561	4,100	4,100
Admission and user fees.....	3,198	4,500	4,900
Land uses.....	6,052	6,900	6,900
Oregon and California grant lands ..	9,040	11,000	10,000
National grasslands and land utilization.....	2,080	2,095	2,195
Total.....	350,007	421,765	379,545

General and special funds—Continued

FOREST PROTECTION AND UTILIZATION—Continued

(b) *Water resource development related activities.*—Provides for impact surveys, construction liaison, land treatment, soil stabilization, and cover improvement required by water resource projects of other agencies which are located within or adjacent to the national forests and studies of designated wild and scenic rivers.

(c) *Fighting forest fires.*—Provides for employment of additional manpower and other facilities for forest fire emergencies which cannot be met under national forest protection and management. Costs above estimates for the current and budget years are authorized from advances from other Forest Service appropriations. A supplemental appropriation for fighting forest fires is anticipated for 1973.

	Fiscal year		
	1971 actual	1972 actual	1973 estimate
Forest fires controlled (number)-----	13,910	12,607	11,750
Area burned (acres)-----	575,040	128,726	150,000

(d) *Insect and disease control.*—Activities to suppress and control destructive insects and diseases that threaten timber areas include two types of work carried on jointly by Federal, State, and private agencies: (1) Surveys on forest lands to detect and evaluate infestations of forest insects and infections of tree diseases and determination of protective measures to be taken, and (2) control operations to suppress or eradicate forest insects and diseases, including white pine blister rust.

(e) *Cooperative law enforcement program.*—Public Law 92-82 authorizes the cooperation with any State or political subdivision thereof in the enforcement of State or local laws on lands of the national forest system.

2. *Forest research.*—Research is conducted at eight regional forest experiment stations, the Forest Products Laboratory, and the Institute of Tropical Forestry.

(a) *Forest and range management.*—Research provides land managers and owners with a sound basis for management of timber, forage, wildlife, recreation, and watershed lands. Studies are conducted to maintain a sustained yield of products at least cost; improve forage and habitat for livestock and wildlife without damage to soil, watershed, or other values; assure maximum regular flow of usable water, and reduce floods and sedimentation; and improve methods for developing and managing recreation resources; and provide management methods for all uses that will insure environmental protection.

(b) *Forest protection.*—Research is conducted to develop measures for the protection of forests from damage by fire, insects, and diseases. Forest fire and atmospheric science research provides improved methods of preventing fires, predicting fire danger, and preparing for and combating fire by combinations of ground and aerial methods. Insect and disease research develops direct controls, cultural measures, and biological agents to combat forest pests.

(c) *Forest products and engineering.*—Studies are conducted to develop new and improved forest products, to reduce and utilize waste, and to use low-quality wood and less desirable species. Research is also conducted to advance the mechanization and efficiency of forestry operations, and to develop and evaluate machines and similar equipment for such operations as harvesting, planting, timber stand improvement, and protection of forests.

(d) *Forest resource economics.*—Investigations are conducted to inventory and appraise the condition of forest lands, volume and quality of standing timber, ownership of timber resources, annual growth and depletion, and the potential need for timber products. Economic studies are made of forest crop production, resource productivity, and the marketing potentials of forest products.

3. *State and private forestry cooperation.*—Assists States, other public and private agencies and individuals to protect, manage, and develop non-Federal forest lands, and improve the production of forest products. By so doing, the social and economic welfare of rural people will be improved and an adequate supply of forest and related resources for the future will be assured. The 393 million acres of non-Federal commercial forest lands produce about 70% of all timber cut.

(a) *Forest fire control.*—Assistance is furnished 50 States in preventing and suppressing forest fires on private and State-owned lands by financial aid, coordination, training, development, and procurement of equipment, and a nationwide fire prevention campaign. About 94% of the 614 million acres of non-Federal ownership planned for protection is now covered. During 1971 the acreage burned on protected areas was 0.32% as against an estimated 1.85% on unprotected lands. Of the total expenditures under this program, 86.0% is contributed by States and counties, 1.1% by private owners, and 12.9% by the Federal Government.

(b) *Forest tree planting.*—Financial and technical assistance is provided to the States for the production, acquisition, and distribution of over half of the Nation's tree planting stock for forest and windbarrier planting on non-Federal lands. More than 50 million acres of non-stocked, poorly stocked, or open lands need to be reforested.

(c) *Forest management and processing.*—In cooperation with 50 States, Puerto Rico, and the Virgin Islands, technical assistance is given to woodland owners in applying multiple use management to their forest holdings, and to operators of forest products manufacturing plants in improving their manufacturing and processing techniques to extend timber supplies.

(d) *General forestry assistance.*—Technical management assistance is provided usually by Federal personnel and also through other arrangements to State, community, private, and other Federal agencies, forest industries, colleges, and landowners. This program also provides forest products utilization assistance to wood-using industries and loggers.

Object Classification (in thousands of dollars)

Identification code 05-96-1100-0-1-402	1972 actual	1973 est.	1974 est.
FOREST SERVICE			
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions-----	155,220	150,221	150,030
11.3 Positions other than permanent....	42,648	39,153	38,025
11.5 Other personnel compensation-----	16,944	2,277	2,300
11.8 Special personal services payments--	5,232	22	-----
Total personnel compensation----	220,044	191,673	190,355
12.1 Personnel benefits: Civilian-----	21,144	20,397	20,100
13.0 Benefits for former personnel-----	29	25	25
21.0 Travel and transportation of persons--	12,546	9,958	10,500
22.0 Transportation of things-----	12,772	11,922	12,000
23.0 Rent, communications, and utilities---	10,246	9,282	9,200
24.0 Printing and reproduction-----	2,574	2,429	2,400
25.0 Other services-----	44,907	41,708	37,206
26.0 Supplies and materials-----	17,508	16,129	16,115

31.0	Equipment.....	7,006	6,607	6,600
32.0	Lands and structures.....	3,072	2,910	2,920
41.0	Grants, subsidies, and contributions.....	24,417	22,290	21,021
42.0	Insurance claims and indemnities.....	97	90	90
Subtotal direct obligations.....		376,361	335,420	328,532
95.0	Quarters and subsistence charges.....	-1,471	-1,375	-1,385
Total direct obligations.....		374,890	334,045	327,147
Reimbursable obligations:				
Personnel compensation:				
11.1	Permanent positions.....	2,103	2,189	2,161
11.3	Positions other than permanent.....	797	829	810
11.5	Other personnel compensation.....	465	174	174
11.8	Special personal services payments.....	345	6	-----
Total personnel compensation.....		3,710	3,198	3,145
12.1	Personnel benefits: Civilian.....	260	279	275
21.0	Travel and transportation of persons.....	252	260	270
22.0	Transportation of things.....	138	142	145
23.0	Rent, communications, and utilities.....	161	165	170
24.0	Printing and reproduction.....	25	26	30
25.0	Other services.....	3,307	3,400	3,560
26.0	Supplies and materials.....	667	686	710
31.0	Equipment.....	168	173	180
32.0	Lands and structures.....	29	30	30
42.0	Insurance claims and indemnities.....	1	-----	-----
Subtotal reimbursable obligations.....		8,719	8,359	8,515
95.0	Quarters and subsistence charges.....	-12	-15	-15
Total reimbursable obligations.....		8,707	8,344	8,500
Total obligations, Forest Service.....		383,597	342,389	335,647

ALLOCATION ACCOUNTS

Personnel compensation:				
11.1	Permanent positions.....	172	176	176
11.3	Positions other than permanent.....	298	293	283
11.5	Other personnel compensation.....	6	8	7
Total personnel compensation.....		476	477	466
12.1	Personnel benefits: Civilian.....	38	33	34
21.0	Travel and transportation of persons.....	61	58	64
22.0	Transportation of things.....	23	33	31
23.0	Rent, communications, and utilities.....	5	7	8
25.0	Other services.....	154	256	267
26.0	Supplies and materials.....	29	39	28
31.0	Equipment.....	15	23	14
Total obligations, allocation accounts.....		801	926	912
99.0	Total obligations.....	384,398	343,315	336,559

Obligations are distributed as follows:

Department of Agriculture:				
Forest Service.....				
		383,597	342,389	335,647
Animal and Plant Health Inspection Service.....				
		31	-----	-----
Department of the Interior.....				
		770	926	912

Personnel Summary

FOREST SERVICE

Total number of permanent positions.....	12,611	12,680	12,517
Full-time equivalent of other positions.....	6,514	5,716	5,627
Average paid employment.....	18,970	17,605	17,334
Average GS grade.....	8.5	8.5	8.6
Average GS salary.....	\$12,646	\$12,993	\$13,016
Average salary of ungraded positions.....	\$9,835	\$9,993	\$10,001

ALLOCATION ACCOUNTS

Total number of permanent positions.....	21	21	21
Full-time equivalent of other positions.....	46	43	41
Average paid employment.....	57	59	57
Average GS grade.....	8.8	8.8	8.8
Average GS salary.....	\$12,899	\$12,899	\$12,899

FOREST PROTECTION AND UTILIZATION

(Supplemental now requested)

Program and Financing (in thousands of dollars)

Identification code 05-96-1100-1-1-402	1972 actual	1973 est.	1974 est.
Program by activities:			
10 Forest land management: Fighting forest fires (costs—obligations).....	-----	57,000	-----
Financing:			
22 Unobligated balance transferred from other accounts.....	-----	-22,105	-----
40 Budget authority (proposed supplemental appropriation).....	-----	34,895	-----
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-----	57,000	-----
90 Outlays.....	-----	57,000	-----

A narrative statement, describing the purpose of this request, and proposed appropriation language are included in Part III of this volume.

CONSTRUCTION AND LAND ACQUISITION

For construction and acquisition of buildings and other facilities required in the conservation, management, investigation, protection and utilization of national forest resources and the acquisition of lands and interests therein necessary to these objectives, **[\$48,581,900]** **\$25,498,000**, to remain available until expended: *Provided*, That not more than **[\$1,300,000]** **\$1,200,000** of this appropriation may be used for acquisition of land under the Act of March 1, 1911, as amended (16 U.S.C. 513-519). (*7 U.S.C. 428a, 1012, 2250; 16 U.S.C. 513-519a; Department of the Interior and Related Agencies Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-96-1103-0-1-402	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Forest land management construction.....	5,128	7,873	5,863
2. Research construction.....	1,706	2,285	2,237
3. Pollution abatement.....	12,097	30,000	31,300
4. Land acquisition, Weeks Act.....	1,273	1,600	1,200
Total program costs, funded ¹		20,203	41,758
Change in selected resources ²		10,718	1,643
-----		-----	-----
10 Total obligations.....	30,921	43,401	38,100
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-----	-156	-----
21 Unobligated balance available, start of year.....	-2,484	-7,265	-12,602
24 Unobligated balance available, end of year.....	7,265	12,602	-----
25 Unobligated balance lapsing.....	2	-----	-----
40 Budget authority (appropriation).....	35,703	48,582	25,498
Relation of obligations to outlays:			
71 Obligations incurred, net.....	30,921	43,245	38,100
72 Obligated balance, start of year.....	6,473	17,827	18,772
74 Obligated balance, end of year.....	-17,827	-18,772	-16,707
77 Adjustments in expired accounts.....	-2	-----	-----
90 Outlays.....	19,565	42,300	40,165

¹ Includes capital outlay as follows: 1972, \$10,552 thousand; 1973, \$24,000 thousand; 1974, \$24,000 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$5,141 thousand (1972 adjustments, -\$2 thousand); 1972, \$15,857 thousand; 1973, \$17,500 thousand; 1974, \$15,000 thousand.

1. *Forest land mangement construction.*—(a) *Recreation facilities.*—To provide facilities necessary to safely meet increased recreation demand without sacrificing environment values and without unduly impinging upon other resource uses of the national forests.

General and special funds—Continued

CONSTRUCTION AND LAND ACQUISITION—Continued

(b) *Other facilities.*—To provide for construction and acquisition of fire, administrative, and other improvements and related facilities necessary to carry out national forest programs. Includes fire lookouts, offices, dwellings and barracks for employee housing, service and storage buildings, insectories, tree nursery buildings, basic communication systems, and other forest resource management projects. Also includes acquisition of land and interests therein for administrative purposes.

2. *Research construction.*—To provide for construction, alteration, and improvement of research laboratories and related facilities, and for procurement and installation of necessary initial equipment needed to put the facility into operating condition.

3. *Pollution abatement.*—To provide for bringing water and air pollution control at existing recreation, research, fire, and administrative facilities to the quality standards adopted pursuant to the Federal Water Pollution Control Act, as amended, the Clean Air Act, as amended, or as prescribed pursuant to Executive Order 11507, dated February 4, 1970.

4. *Land acquisition, Weeks Act.*—Lands are purchased to protect the watersheds of navigable streams and to increase the production of timber, with the approval of the National Forest Reservation Commission.

Object Classification (in thousands of dollars)

Identification code 05-96-1103-0-1-402	1972 actual	1973 est.	1974 est.
FOREST SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	7,074	7,050	6,680
11.3 Positions other than permanent.....	1,297	1,280	1,150
11.5 Other personnel compensation.....	81	98	100
Total personnel compensation.....	8,452	8,428	7,930
12.1 Personnel benefits: Civilian.....	833	800	750
13.0 Benefits for former personnel.....	1		
21.0 Travel and transportation of persons.....	426	615	675
22.0 Transportation of things.....	286	520	510
23.0 Rent, communications, and utilities.....	156	285	275
24.0 Printing and reproduction.....	49	85	85
25.0 Other services.....	4,824	9,125	8,280
26.0 Supplies and materials.....	711	1,295	1,200
31.0 Equipment.....	1,169	2,130	2,070
32.0 Lands and structures.....	11,721	19,375	16,340
42.0 Insurance claims and indemnities.....	2		
Subtotal.....	28,630	42,658	38,115
95.0 Quarters and subsistence charges.....	-11	-15	-15
Total obligations, Forest Service.....	28,619	42,643	38,100
ALLOCATION TO GENERAL SERVICES ADMINISTRATION			
21.0 Travel and transportation of persons.....	2	9	
24.0 Printing and reproduction.....	2		
25.0 Other services.....	162	47	
32.0 Lands and structures.....	2,136	702	
Total obligations, allocation to General Services Administration.....	2,302	758	
99.0 Total obligations.....	30,921	43,401	38,100
Personnel Summary			
Total number of permanent positions.....	525	487	463
Full-time equivalent of other positions.....	175	176	157
Average paid employment.....	717	707	659

Average GS grade.....	8.5	8.5	8.6
Average GS salary.....	\$12,646	\$12,993	\$13,016
Average salary of ungraded positions.....	\$9,835	\$9,993	\$10,001

YOUTH CONSERVATION CORPS

For expenses necessary to carry out the provisions of the Act of August 13, 1970 [(Public Law 91-378), establishing the Youth Conservation Corps, \$3,500,000] as amended by Public Law 92-597, \$10,000,000, to remain available until [expended] the end of the fiscal year following the fiscal year for which appropriated: Provided, That [\$1,750,000] \$5,000,000 shall be available to the Secretary of the Interior and [\$1,750,000] \$5,000,000 shall be available to the Secretary of Agriculture. (Department of the Interior and Related Agencies Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-96-1125-0-1-402	1972 actual	1973 est.	1974 est.
Program by activities:			
Program development (program costs, funded) ¹	2,693	3,500	9,688
Change in selected resources ²	64		349
10 Total obligations.....	2,757	3,500	10,037
Financing:			
21 Unobligated balance available, start of year	-1,355	-2,097	-2,097
24 Unobligated balance available, end of year	2,097	2,097	2,060
40 Budget authority (appropriation) ...	3,500	3,500	10,000
Relation of obligations to outlays:			
71 Obligations incurred, net.....	2,757	3,500	10,037
72 Obligated balance, start of year.....	975	962	962
74 Obligated balance, end of year.....	-962	-962	-999
90 Outlays.....	2,770	3,500	10,000

¹ Includes capital outlay as follows: 1972, \$7 thousand; 1973, \$10 thousand; 1974, \$25 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$587 thousand; 1972, \$651 thousand; 1973, \$651 thousand; 1974, \$1,000 thousand.

The objectives of the Youth Conservation Corps Act of 1970, as amended (Public Law 92-597, October 27, 1972) are to provide (1) gainful employment of America's youth, ages 15 through 18, during the summer months in a healthful outdoor atmosphere, (2) to further development and maintenance of the natural resources of the United States by the youth, and (3) an opportunity for understanding and appreciation of the Nation's natural environment and heritage.

Object Classification (in thousands of dollars)

Identification code 05-96-1125-0-1-402	1972 actual	1973 est.	1974 est.
FOREST SERVICE			
Personnel compensation:			
11.1 Permanent positions.....	125	137	230
11.3 Positions other than permanent.....	252	276	215
11.5 Other personnel compensation.....	83	95	65
11.8 Special personal services payments.....	318	376	1,235
Total personnel compensation.....	778	884	1,745
12.1 Personnel benefits: Civilian.....	48	55	60
21.0 Travel and transportation of persons.....	31	42	35
22.0 Transportation of things.....	50	61	50
23.0 Rent, communications, and utilities.....	22	25	35
24.0 Printing and reproduction.....	2	1	5
25.0 Other services.....	316	438	780
26.0 Supplies and materials.....	151	220	515
31.0 Equipment.....	13	16	35
32.0 Lands and structures.....			250
41.0 Grants, subsidies, and contributions.....	-22	16	1,500
Subtotal.....	1,389	1,758	5,010

95.0	Quarters and subsistence charges.....	—8	—8	—10
	Total obligations, Forest Service...	1,381	1,750	5,000
ALLOCATION TO DEPARTMENT OF THE INTERIOR				
	Personnel compensation:			
11.1	Permanent positions.....	9	56	79
11.3	Positions other than permanent.....	470	553	414
	Total personnel compensation.....	479	609	493
12.1	Personnel benefits: Civilian.....	26	33	44
21.0	Travel and transportation of persons.....	80	102	104
22.0	Transportation of things.....	3	4	5
23.0	Rent, communications, and utilities.....	7	9	20
24.0	Printing and reproduction.....	6	7	18
25.0	Other services.....	686	861	2,120
26.0	Supplies and materials.....	89	125	150
31.0	Equipment.....			83
32.0	Lands and structures.....			500
41.0	Grants, subsidies, and contributions.....			1,500
	Total obligations, Department of the Interior.....	1,376	1,750	5,037
99.0	Total obligations.....	2,757	3,500	10,037

Personnel Summary

FOREST SERVICE				
	Total number of permanent positions.....	11	12	19
	Full-time equivalent of other positions.....	38	40	31
	Average paid employment.....	49	52	51
	Average GS grade.....	8.5	8.5	8.6
	Average GS salary.....	\$12,646	\$12,993	\$13,016
	Average salary of ungraded positions.....	\$9,835	\$9,993	\$10,001

ALLOCATION TO DEPARTMENT OF THE INTERIOR

	Total number of permanent positions.....	0	4	8
	Full-time equivalent of other positions.....	66	66	55
	Average paid employment.....	66	70	63
	Average GS grade.....		9.0	9.0
	Average GS salary.....		\$13,700	\$13,700
	Average salary of ungraded positions.....		\$7,630	\$7,630

FOREST ROADS AND TRAILS (LIQUIDATION OF CONTRACT AUTHORITY)

For expenses necessary for carrying out the provisions of title 23, United States Code, sections 203 and 205, relating to the construction and maintenance of forest development roads and trails, **[\$158,840,000]** \$87,700,000, to remain available until expended, for liquidation of obligations incurred pursuant to authority contained in title 23, United States Code, section 203: *Provided*, That funds available under the Act of March 4, 1913 (16 U.S.C. 501) shall be merged with and made a part of this appropriation: *Provided further*, That not less than the amount made available under the provisions of the Act of March 4, 1913, shall be expended under the provisions of such Act. (7 U.S.C. 2250; 16 U.S.C. 532-536; 23 U.S.C. 101, 125, 209; Department of the Interior and Related Agencies Appropriation Act, 1973.)

Program and Financing (in thousands of dollars)

Identification code 05-96-2262-0-1-402	1972 actual	1973 est.	1974 est.
Program by activities:			
Direct program:			
1. Construction of roads and trails.....	147,903	130,392	98,300
2. Maintenance of roads and trails.....	16,057	36,795	35,000
Total direct program.....	163,960	167,187	133,300
Reimbursable program:			
1. Construction of roads and trails.....	139	1,000	1,000
2. Maintenance of roads and trails.....	110	350	350
Total reimbursable program.....	249	1,350	1,350

	Total program costs, funded ¹	164,210	168,537	134,650
	Change in selected resources ²	10,966	—10,689	—21,500
10	Total obligations.....	175,176	157,848	113,150
Financing:				
	Receipts and reimbursements from:			
11	Federal funds.....	—22,874	—34,871	—41,900
14	Non-Federal sources.....	—30	—350	—350
21.49	Unobligated balance available, start of year: Contract authority.....	—385,279	—403,007	—280,380
24.49	Unobligated balance available, end of year: Contract authority.....	403,007	280,380	170,000
25.49	Unobligated balance lapsing: Contract authority.....			39,480
	Budget authority.....	170,000		
Budget authority:				
	Current:			
40	Appropriation.....	148,740	158,840	87,700
40.49	Portion applied to liquidate contract authority.....	—148,740	—158,840	—87,700
43	Appropriation (adjusted).....			
	Permanent:			
69	Contract authority (82 Stat. 815 and 23 U.S.C. 203).....	170,000		
Relation of obligations to outlays:				
71	Obligations incurred, net.....	152,272	122,627	70,900
	Obligated balance, start of year:			
72.40	Appropriation.....	4,688	10,207	9,000
72.49	Contract authority.....	79,557	83,089	46,876
	Obligated balance, end of year:			
74.40	Appropriation.....	—10,207	—9,000	
74.49	Contract authority.....	—83,089	—46,876	—30,076
90	Outlays.....	143,221	160,047	96,700

¹ Includes capital outlay as follows: 1972, \$87,122 thousand; 1973, \$82,000 thousand; 1974, \$65,000 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$71,223 thousand; 1972, \$82,189 thousand; 1973, \$71,500 thousand; 1974, \$50,000 thousand.

Status of Unfunded Contract Authority (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Unfunded balance, start of year.....	464,836	486,096	327,256
Contract authority.....	170,000		
Administrative cancellation of unfunded balance.....			—39,480
Unfunded balance, end of year.....	—486,096	—327,256	—200,076
Appropriation to liquidate contract authority.....	148,740	158,840	87,700

Roads and trails are essential to protection and management of national forests and utilization of their resources.

The Federal-Aid Highway Act of 1970 provided authority of \$170 million each for 1972 and 1973. The authority is available for obligation a year in advance of the year for which authorized. This budget provides for utilization of \$70.9 million unused contract authority.

The 1974 program will involve the construction and reconstruction of about 173 miles of timber access roads to harvest national forest timber. In 1972, 844 miles of all types of roads were built and 719 miles will be built in 1973.

Of the revenues received annually from national forest activities, 10% is available under the permanent appropriation Roads and trails for States, for construction and maintenance within the States from which such proceeds are derived. Such amounts are merged with this appropriation for obligational purposes.

General and special funds—Continued

FOREST ROADS AND TRAILS (LIQUIDATION OF CONTRACT
AUTHORITY)—Continued

Object Classification (in thousands of dollars)

Identification code 05-96-2262-0-1-402	1972 actual	1973 est.	1974 est.
FOREST SERVICE			
Direct obligations:			
Personnel compensation:			
11.1 Permanent positions.....	52,980	50,908	45,875
11.3 Positions other than permanent.....	21,854	21,790	20,594
11.5 Other personnel compensation.....	1,561	1,618	1,646
11.8 Special personal services payments.....	4	-----	-----
Total personnel compensation.....	76,399	74,316	68,115
12.1 Personnel benefits: Civilian.....	6,951	6,681	6,120
13.0 Benefits for former personnel.....	12	2	10
21.0 Travel and transportation of persons.....	3,536	2,949	2,845
22.0 Transportation of things.....	6,015	5,837	2,895
23.0 Rent, communications, and utilities.....	3,147	2,940	1,450
24.0 Printing and reproduction.....	599	514	255
25.0 Other services.....	20,229	19,043	8,778
26.0 Supplies and materials.....	7,662	7,509	3,725
31.0 Equipment.....	4,378	3,966	1,965
32.0 Lands and structures.....	44,143	32,000	15,875
42.0 Insurance claims and indemnities.....	36	38	37
44.0 Refunds.....	7	6	-----
Subtotal.....	173,114	155,801	112,070
95.0 Quarters and subsistence charges.....	-270	-270	-270
Total direct obligations.....	172,844	155,531	111,800
Reimbursable obligations:			
Personnel compensation:			
11.1 Permanent positions.....	111	202	202
11.3 Positions other than permanent.....	30	144	144
11.5 Other personnel compensation.....	-----	4	4
Total personnel compensation.....	141	350	350
12.1 Personnel benefits: Civilian.....	12	29	29
21.0 Travel and transportation of persons.....	5	15	15
22.0 Transportation of things.....	7	85	85
23.0 Rent, communications, and utilities.....	4	45	45
24.0 Printing and reproduction.....	4	45	45
25.0 Other services.....	53	501	501
26.0 Supplies and materials.....	16	200	200
31.0 Equipment.....	3	35	35
32.0 Lands and structures.....	4	45	45
Total reimbursable obligations.....	249	1,350	1,350
Total obligations, Forest Service.....	173,093	156,881	113,150
ALLOCATION TO TRANSPORTATION, FEDERAL HIGHWAY ADMINISTRATION			
Personnel compensation:			
11.1 Permanent positions.....	173	75	-----
11.3 Positions other than permanent.....	7	7	-----
11.5 Other personnel compensation.....	9	9	-----
Total personnel compensation.....	189	91	-----
12.1 Personnel benefits: Civilian.....	19	8	-----
21.0 Travel and transportation of persons.....	38	38	-----
22.0 Transportation of things.....	9	9	-----
23.0 Rent, communications, and utilities.....	1	1	-----
25.0 Other services.....	112	112	-----
26.0 Supplies and materials.....	1	1	-----
32.0 Lands and structures.....	1,714	707	-----
Total obligations, Transportation, Federal Highway Administration.....	2,083	967	-----
99.0 Total obligations.....	175,176	157,848	113,150

Personnel Summary

FOREST SERVICE

Total number of permanent positions.....	4,561	4,537	3,990
Full-time equivalent of other positions.....	3,156	3,106	2,921
Average paid employment.....	7,610	7,313	6,698
Average GS grade.....	8.5	8.5	8.6
Average GS salary.....	\$12,646	\$12,993	\$13,016
Average salary of ungraded positions.....	\$9,835	\$9,993	\$10,001

ALLOCATION TO TRANSPORTATION,
FEDERAL HIGHWAY ADMINISTRATION

Total number of permanent positions.....	30	7	0
Full-time equivalent of other positions.....	1	1	0
Average paid employment.....	18	8	0
Average GS grade.....	7.8	7.6	-----
Average GS salary.....	\$12,121	\$11,611	-----

ACQUISITION OF LANDS FOR NATIONAL FORESTS

SPECIAL ACTS

For acquisition of land to facilitate the control of soil erosion and flood damage originating within the exterior boundaries of the following national forests, in accordance with the provisions of the following Acts, authorizing annual appropriations of forest receipts for such purposes, and in not to exceed the following amounts from such receipts, Cache National Forest, Utah, Act of May 11, 1938 (52 Stat. 347), as amended, \$20,000; Uinta and Wasatch National Forest, Utah, Act of August 26, 1935 (49 Stat. 866), as amended, \$20,000; Toiyabe National Forest, Nevada, Act of June 25, 1938 (52 Stat. 1205), as amended, \$8,000; Angeles National Forest, California, Act of June 11, 1940 (54 Stat. 299), [\$32,000], \$14,000; San Bernardino and Cleveland National Forests, California, Act of June 15, 1938 (52 Stat. 699), as amended, \$32,000; in all, [\$80,000] \$94,000: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of the national forests and/or for the acquisition of any land without the approval of the local government concerned. (*Department of the Interior and Related Agencies Appropriation Act, 1973.*)

Amounts Available for Appropriation (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Revenue.....	72	80	94
Unobligated balances returned to unappropriated receipts.....	8	-----	-----
Total available for appropriation.....	80	80	94
Appropriation.....	-80	-80	-94
Unappropriated balance, end of year.....	-----	-----	-----

Program and Financing (in thousands of dollars)

Identification code 05-96-5208-0-2-402	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Cache National Forest, Utah.....	12	19	20
2. Uinta and Wasatch National Forests, Utah.....	23	21	20
3. Toiyabe National Forest, Nev.....	-----	8	8
4. Angeles National Forest, Calif.....	32	32	14
5. San Bernardino and Cleveland National Forests, Calif.....	-----	-----	32
Total program costs, funded ¹	68	80	94
Change in selected resources ²	4	-----	-----
10 Total obligations (object class 32.0).....	72	80	94
Financing:			
25 Unobligated balance lapsing.....	8	-----	-----
40 Budget authority (appropriation) (special fund).....	80	80	94

¹ Includes capital outlay as follows: 1972, \$67 thousand; 1973, \$80 thousand; 1974, \$90 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$21 thousand (1972 adjustments, -\$10 thousand); 1972, \$15 thousand; 1973, \$15 thousand; 1974, \$15 thousand.

Relation of obligations to outlays:			
71 Obligations incurred, net.....	72	80	94
72 Obligated balance, start of year.....	21	15	15
74 Obligated balance, end of year.....	-15	-15	-29
77 Adjustments in expired accounts.....	-10	-----	-----
90 Outlays.....	68	80	80

On the basis of agreements with certain counties in Utah, Nevada, and California, national forest receipts, including the portions which would normally be paid to county road and school funds, are used for purchase by the Government of privately owned lands within the national forests to aid in the control of soil erosion and flood damage.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands in accordance with the Act of December 4, 1967 (16 U.S.C. 484a), to remain available until expended, \$55,300, to be derived from deposits by public school authorities under said Act.

Amounts Available for Appropriation (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Unappropriated balance, start of year.....	37	55	55
Revenue.....	45	-----	-----
Total available for appropriation.....	82	55	55
Appropriation.....	-26	-----	-55
Unappropriated balance, end of year.....	55	55	-----

Program and Financing (in thousands of dollars)

Identification code 05-96-5216-0-2-402	1972 actual	1973 est.	1974 est.
Program by activities:			
Acquisition of land:			
1. California.....	26	-----	54
2. Montana.....	-----	-----	1
10 Total costs—obligations (object class 32.0).....	26	-----	55
Financing:			
40 Budget authority (appropriation) (special fund).....	26	-----	55
Relation of obligations to outlays:			
71 Obligations incurred, net.....	26	-----	55
90 Outlays.....	26	-----	55

Deposits made by public school districts or public school authorities to provide for cash equalization of certain land exchanges are, when appropriated, used to acquire similar lands suitable for national forest system purposes in the same State as the national forest lands conveyed in the exchange (16 U.S.C. 484a).

COOPERATIVE RANGE IMPROVEMENTS

For artificial revegetation, construction, and maintenance of range improvements, control of rodents, and eradication of poisonous and noxious plants on national forests in accordance with section 12 of the Act of April 24, 1950 (16 U.S.C. 580h), to be derived from grazing fees as authorized by said section, \$700,000, to remain available until expended. (*Department of the Interior and Related Agencies Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-96-5207-0-2-402	1972 actual	1973 est.	1974 est.
Program by activities:			
10 Advanced to forest protection and utilization (costs—obligations) (object class 25.0).....	700	700	700
Financing:			
40 Budget authority (appropriation) (special fund).....	700	700	700
Relation of obligations to outlays:			
71 Obligations incurred, net.....	700	700	700
90 Outlays.....	700	700	700

Part of the grazing fees from the national forests, when appropriated, are used to protect or improve the productivity of the range, mainly by construction and maintenance of fences, stock watering facilities, bridges, corrals, and driveways. These funds are advanced to and merged with the appropriation Forest protection and utilization, subappropriation Forest land management.

ASSISTANCE TO STATES FOR TREE PLANTING

For expenses necessary to carry out section 401 of the Agricultural Act of 1956, approved May 28, 1956 (16 U.S.C. 568e), \$1,020,000, to remain available until expended. (*Department of the Interior and Related Agencies Appropriation Act, 1973.*)

Program and Financing (in thousands of dollars)

Identification code 05-96-1101-0-1-402	1972 actual	1973 est.	1974 est.
Program by activities:			
Tree planting assistance (program costs, funded).....	1,116	1,119	1,035
Change in selected resources ¹	-103	-----	-----
10 Total obligations.....	1,013	1,119	1,035
Financing:			
21 Unobligated balance available, start of year.....	-98	-114	-15
24 Unobligated balance available, end of year.....	114	15	-----
40 Budget authority (appropriation).....	1,028	1,020	1,020
Relation of obligations to outlays:			
71 Obligations incurred, net.....	1,013	1,119	1,035
72 Obligated balance, start of year.....	370	235	250
74 Obligated balance, end of year.....	-235	-250	-240
90 Outlays.....	1,147	1,104	1,045

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$229 thousand; 1972, \$126 thousand; 1973, \$126 thousand; 1974, \$126 thousand.

To carry out section 401 of the Agricultural Act of 1956 (16 U.S.C. 568e-568g), assistance is given to the State forester or other State official, through technical advice and financial contribution, to carry out tree planting and reforestation work in accordance with plans submitted by the State and approved by the Secretary.

Object Classification (in thousands of dollars)

Identification code 05-96-1101-0-1-402	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	174	170	170
11.3 Positions other than permanent.....	5	4	4
Total personnel compensation.....	179	174	174

General and special funds—Continued

ASSISTANCE TO STATES FOR TREE PLANTING—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 05-96-1101-0-1-402	1972 actual	1973 est.	1974 est.
12.1 Personnel benefits: Civilian.....	19	16	16
21.0 Travel and transportation of persons.....	19	16	20
22.0 Transportation of things.....	3	3	-----
23.0 Rent, communications, and utilities.....	18	21	-----
25.0 Other services.....	2	75	17
26.0 Supplies and materials.....	3	5	2
31.0 Equipment.....	1	3	-----
41.0 Grants, subsidies, and contributions.....	769	806	806
99.0 Total obligations.....	1,013	1,119	1,035

Personnel Summary

Total number of permanent positions.....	15	14	14
Full-time equivalent of other positions.....	1	1	1
Average paid employment.....	14	15	15
Average GS grade.....	8.5	8.5	8.6
Average GS salary.....	\$12,646	\$12,993	\$13,016
Average salary of ungraded positions.....	\$9,835	\$9,993	\$10,001

CONSTRUCTION AND OPERATION OF RECREATION FACILITIES

For construction, operation, and maintenance of outdoor recreation facilities, including collection of special recreation use fees, to remain available until expended, \$3,546,000 to be derived from the special account established by section 4(e) of the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l): Provided, That not more than 40 per centum of the foregoing amount shall be available for the enhancement of the fee collection system established by section 4 of such Act, including the promotion and enforcement thereof.

Amounts Available for Appropriation (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Unappropriated balance, start of year.....	-----	-----	621
Revenue.....	-----	621	2,925
Total available for appropriation.....	-----	621	3,546
Appropriation.....	-----	-----	-3,546
Unappropriated balance, end of year.....	-----	621	-----

Program and Financing (in thousands of dollars)

Identification code 05-96-5009-0-2-402	1972 actual	1973 est.	1974 est.
Program by activities:			
10 Construction, reconstruction, administration, operation, and maintenance of recreation facilities (costs—obligations).....	-----	-----	3,546
Financing:			
40 Budget authority.....	-----	-----	3,546
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-----	-----	3,546
74 Obligated balance, end of year.....	-----	-----	-211
90 Outlays.....	-----	-----	3,335

Approximately 65% of the recreation admission and user fees collected are, when appropriated, used to administer, operate, maintain, and improve the recreation program in the national forests (82 Stat. 354; 86 Stat. 459).

Object Classification (in thousands of dollars)

Identification code 05-96-5009-0-2-402	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	-----	-----	375
11.3 Positions other than permanent.....	-----	-----	140
11.5 Other personnel compensation.....	-----	-----	50
Total personnel compensation.....	-----	-----	565
12.1 Personnel benefits: Civilian.....	-----	-----	55
21.0 Travel and transportation of persons.....	-----	-----	5
22.0 Transportation of things.....	-----	-----	10
23.0 Rent, communications, and utilities.....	-----	-----	5
24.0 Printing and reproduction.....	-----	-----	5
25.0 Other services.....	-----	-----	1,776
26.0 Supplies and materials.....	-----	-----	1,000
31.0 Equipment.....	-----	-----	25
32.0 Lands and structures.....	-----	-----	100
99.0 Total obligations.....	-----	-----	3,546

Personnel Summary

Total number of permanent positions.....	-----	-----	29
Full-time equivalent of other positions.....	-----	-----	20
Average paid employment.....	-----	-----	49
Average GS grade.....	-----	-----	8.6
Average GS salary.....	-----	-----	\$13,016
Average salary of ungraded positions.....	-----	-----	\$10,001

SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies owed to or owned by the United States for forestry research and other functions related thereto authorized by section 104(b)(3) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)(3)), \$1,000,000, to remain available until expended: Provided, That this appropriation shall be available, in addition to other appropriations for these purposes, for payments in the foregoing currencies: Provided further, That funds appropriated herein shall be used for payments in such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph.

Program and Financing (in thousands of dollars)

Identification code 05-96-1104-0-1-402	1972 actual	1973 est.	1974 est.
Program by activities:			
Scientific activities overseas (program costs).....	-----	-----	400
Change in selected resources ¹	-----	-----	600
10 Total obligations (object class 41.0).....	-----	-----	1,000
Financing:			
40 Budget authority.....	-----	-----	1,000
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-----	-----	1,000
74 Obligated balance, end of year.....	-----	-----	-660
90 Outlays.....	-----	-----	340

¹ Selected resources as of June 30 are as follows: Undelivered orders, 1973, \$0; 1974, \$600 thousand.

Foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States are used for expenses of carrying out programs of the Department of Agriculture as authorized by law and described under section 104(b)(3) of the Agricultural Trade Development and Assistance Act of 1954, as amended. Forestry research is carried on through agreements negotiated with research institutions and organizations in foreign countries. Research directly backstops (supplements) the on-going domestic research program

aimed at solving timber production problems. Total estimated cost in U.S. dollars (charged to regular appropriations) for program direction and supervision of projects in 1974 is \$100 thousand.

OTHER GENERAL FUNDS

Program and Financing (in thousands of dollars)

Identification code 05-96-9998-0-1-402	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Acquisition of lands for Uinta National Forest, Utah.....		97	
2. Acquisition of lands for Wasatch National Forest, Utah.....		237	
3. Acquisition of lands for Superior National Forest, Minnesota.....		5	
4. Acquisition of lands for Cache National Forest, Utah.....		11	
Total program costs, funded.....		350	
Change in selected resources ¹		-185	
10 Total obligations (object class 32.0).....		165	
Financing:			
21 Unobligated balance available, start of year.....	-166	-165	
24 Unobligated balance available, end of year.....	165		
Budget authority.....			
Relation of obligations to outlays:			
71 Obligations incurred, net.....		165	
72 Obligated balance, start of year.....	185	185	
74 Obligated balance, end of year.....	-185		
90 Outlays.....		350	
Distribution of outlays by account:			
Acquisition of lands for Uinta National Forest.....		97	
Acquisition of lands for Wasatch National Forest.....		237	
Acquisition of lands for Superior National Forest.....		5	
Acquisition of lands for Cache National Forest.....		11	

¹ Selected resources as of June 30 are as follows: Undelivered orders: 1971, \$185 thousand; 1972, \$185 thousand; 1973, \$0; 1974, \$0.

1. *Acquisition of lands for Uinta National Forest, Utah.*—79 Stat. 899, approved October 1, 1965, provided authorization for the appropriation of \$300 thousand for purchase of non-federally owned land to promote the control of floods and the reduction of soil erosion through restoration of adequate vegetative cover. The full amount of this authorization was appropriated in fiscal year 1967.

2. *Acquisition of lands for Wasatch National Forest, Utah.*—76 Stat. 545, approved September 14, 1962, added some 24,000 acres to the Wasatch National Forest and authorized the appropriation of \$400 thousand for purchase of privately owned lands within the area to aid in the control of floods and reduction of soil erosion. The 1965 appropriation completed the authorization.

3. *Acquisition of lands for Superior National Forest, Minn.*—The authorization for the purchase of land within this forest was increased to \$4.5 million (16 U.S.C. 577c-577h). The 1963 appropriation completed the authorization for acquisition of the remaining tracts.

4. *Acquisition of lands for Cache National Forest, Utah.*—Lands are acquired to enable control and minimization of soil erosion and flood damage.

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations or allotments from other accounts are included in the schedule of the parent appropriations, as follows:

Agriculture:
Agricultural Research Service: "Salaries and expenses."
Agricultural Stabilization and Conservation Service: "Expenses."
Farmers Home Administration: "Salaries and expenses."
Soil Conservation Service:
"Watershed and Flood Prevention Operations."
"Watershed planning."
"River basin surveys and investigations."
"Resource conservation and development."
Funds appropriated to the President: "Appalachian regional development programs."
Interior:
Bureau of Land Management, "Oregon and California grant lands."
Bureau of Outdoor Recreation, "Land and water conservation fund."
Transportation: Federal Highway Administration, "Federal-Aid Highways Trust Fund."
Labor: "Manpower training activities, Manpower Administration."
Commerce: Regional Action Planning Commissions: "Regional development programs."

FOREST SERVICE PERMANENT APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code 05-96-9999-0-2-402	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Roads and trails for States, national forests fund.....	22,662	33,871	40,900
2. Brush disposal.....	16,256	18,313	18,657
3. Forest fire prevention.....	171	258	275
4. Restoration of forest lands and improvements.....	9	50	50
5. Payment to Minnesota.....	259	259	259
6. Payments to counties, national grasslands.....	530	524	549
7. Payments to school funds, Arizona and New Mexico.....	69	114	115
8. Payments to States, national forests fund.....	56,648	84,676	102,012
Total program costs, funded ¹	96,604	138,065	162,817
Changes in selected resources ²	-91	18	500
10 Total obligations.....	96,512	138,083	163,317
Financing:			
21 Unobligated balance available, start of year.....	-17,188	-19,075	-18,701
24 Unobligated balance available, end of year.....	19,075	18,701	17,519
60 Budget authority (appropriation) (permanent, indefinite, special funds).....	98,399	137,709	162,135

Distribution of budget authority by account:			
Roads and trails for States, national forests fund.....	22,662	33,871	40,900
Brush disposal.....	18,008	18,000	18,000
Forest fire prevention.....	211	215	250
Restoration of forest lands and improvements.....	12	50	50
Payment to Minnesota.....	259	259	259
Payments to counties, national grasslands.....	530	524	549
Payments to school funds, Arizona and New Mexico.....	69	114	115
Payments to States, national forests fund.....	56,648	84,676	102,012

Relation of obligations to outlays:			
71 Obligations incurred, net.....	96,512	138,083	163,317
72 Obligated balance start of year.....	2,097	1,878	1,821
74 Obligated balance, end of year.....	-1,878	-1,821	-1,963
90 Outlays.....	96,730	138,140	163,175

Distribution of outlays by account:			
Roads and trails for States, national forests fund.....	22,662	33,871	40,900
Brush disposal.....	16,373	18,401	19,030

¹ Includes capital outlay as follows: 1972, \$476 thousand; 1973, \$600 thousand; 1974, \$650 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$1,088 thousand; 1972, \$997 thousand; 1973, \$1,015 thousand; 1974, \$1,515 thousand.

General and special funds—Continued

FOREST SERVICE PERMANENT APPROPRIATIONS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 05-96-9999-0-2-402	1972 actual	1973 est.	1974 est.
Forest fire prevention.....	176	250	265
Restoration of forest lands and improve- ments.....	10	45	45
Payment to Minnesota.....	259	259	259
Payments to counties, national grasslands..	530	524	549
Payments to school funds, Arizona and New Mexico.....	69	114	115
Payments to States, national forests fund..	56,651	84,676	102,012

1. *Roads and trails for States, national forests fund.*—With minor exceptions, 10% of the money received from the national forests is advanced to and merged with the appropriation Forest roads and trails for construction and maintenance of roads and trails within the State from which such proceeds are derived (16 U.S.C. 501).

2. *Brush disposal.*—Payments made for this purpose by purchasers of national forest timber are used to dispose of or treat slash and other debris that result from cutting operations (16 U.S.C. 490).

3. *Forest fire prevention.*—Fees for the use of the character "Smokey Bear" by private enterprises are collected under regulations promulgated by the Secretary and are available for furthering the nationwide forest fire prevention campaign (18 U.S.C. 711).

4. *Restoration of forest lands and improvements.*—Funds received from settlement of claims involving damage to lands or improvements and from forfeiture of deposits and bonds by permittees and timber purchasers are used for the restoration made necessary by the action which led to the settlement of forfeiture (16 U.S.C. 579c).

5. *Payment to Minnesota.*—At the close of each fiscal year the State of Minnesota is paid 0.75% of the appraised value of certain Superior National Forest lands in the counties of Cook, Lake, and St. Louis for distribution to these counties (16 U.S.C. 577g).

6. *Payments to counties, national grasslands.*—Of the revenues received from the use of national grasslands, 25% is paid to the counties in which such land is situated for school and road purposes (7 U.S.C. 1012).

7. *Payments to school funds, Arizona and New Mexico.*—The States of Arizona and New Mexico are paid a share of the national forest receipts for school purposes (36 Stat. 562, 573).

8. *Payments to States, national forests fund.*—With minor exceptions, 25% of the money received from the national forests is paid to the States for public schools and roads of the county in which such forests are situated (16 U.S.C. 500).

Object Classification (in thousands of dollars)

Identification code 05-96-9999-0-2-402	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	5,121	4,955	4,885
11.3 Positions other than permanent....	4,609	5,220	5,212
11.5 Other personnel compensation.....	881	962	962
11.8 Special personal services payments..	1	1	1
Total personnel compensation.....	10,612	11,138	11,060
12.1 Personnel benefits: Civilian.....	812	860	855
21.0 Travel and transportation of persons..	145	169	275
22.0 Transportation of things.....	900	1,016	1,670
23.0 Rent, communications, and utilities...	398	403	660

24.0 Printing and reproduction.....	28	43	70
25.0 Other services.....	24,965	37,517	43,492
26.0 Supplies and materials.....	597	803	1,320
31.0 Equipment.....	514	568	930
32.0 Lands and structures.....	146	123	200
41.0 Grants, subsidies, and contributions...	57,506	85,573	102,935
42.0 Insurance claims and indemnities.....	10	-----	-----
44.0 Refunds.....	1	-----	-----
Subtotal.....	96,634	138,213	163,467
95.0 Quarters and subsistence charges.....	-122	-130	-150
99.0 Total obligations.....	96,512	138,083	163,317

Personnel Summary

Total number of permanent positions.....	481	458	458
Full-time equivalent of other positions.....	701	742	741
Average paid employment.....	1,159	1,153	1,146
Average GS grade.....	8.5	8.5	8.6
Average GS salary.....	\$12,646	\$12,993	\$13,016
Average salary of ungraded positions.....	\$9,835	\$9,993	\$10,001

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed [two hundred seventy-four] *three hundred eight* passenger motor vehicles of which [one hundred fifty-two] *two hundred sixty-two* shall be for replacement only, and hire of such vehicles; operation and maintenance of aircraft and the purchase of not to exceed four for replacement only; (b) employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 for employment under 5 U.S.C. 3109; (c) uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); (d) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (e) expenses of the National Forest Reservation Commission as authorized by section 14 of the Act of March 1, 1911 (16 U.S.C. 514); (f) acquisition of land and interests therein for sites for administrative and not to exceed \$75,000 for research purposes, pursuant to the Act of August 3, 1956 (7 U.S.C. 428a): *Provided*, That this limitation shall not apply to research acquisition at Madison, Wisconsin; [and] (g) expenses incident to acquisition by donation of land, waters, or interests in land or waters, pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); and (h) *not to exceed \$100,000 for expenses pursuant to the Volunteers in the National Forests Act of 1972 (16 U.S.C. 558a, 558d, 558a note).*

Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated to the Forest Service shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

Funds appropriated under this Act shall not be used for acquisition of forest lands under the provisions of the Act approved March 1, 1911, as amended (16 U.S.C. 513-519, 521), where such land is not within the boundaries of an established national forest or purchase unit. (*Department of the Interior and Related Agencies Appropriation Act, 1973.*)

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code 05-96-4605-0-4-402	1972 actual	1973 est.	1974 est.
Program by activities:			
Operating costs, funded:			
1. Equipment service.....	17,954	22,746	22,561
2. Aircraft service.....	846	1,313	1,325
3. Supply service.....	2,852	2,380	2,358
4. Nurseries.....	3,312	3,222	3,279
Total operating costs.....	24,964	29,661	29,523
Capital outlay, funded:			
1. Equipment service.....	10,850	9,179	9,708
2. Aircraft service.....	255	5	-----

3. Supply service.....	54	105	96
4. Nurseries.....	70	75	20
Total capital outlay.....	11,229	9,364	9,824
Total program costs, funded.....	36,193	39,025	39,347
Change in selected resources ¹	-2,684	308	149
Less inventory received at no cost.....	-573		
10 Total obligations.....	32,936	39,333	39,496
Financing:			
Receipts and reimbursements from:			
11 Federal funds:			
Revenue:			
Equipment service.....	-25,475	-26,179	-27,498
Aircraft service.....	-1,192	-1,414	-1,497
Supply service.....	-2,867	-2,461	-2,393
Nurseries.....	-3,260	-3,523	-3,548
Income provision for increased cost of equipment replacement.....	-1,843	-2,603	-2,742
Increase or decrease in unfilled customers' orders.....	-79	-1	
14 Non-Federal sources: Proceeds from sale of equipment and other assets.....	-1,492	-1,339	-1,487
21 Unobligated balance available, start of year.....	92	-3,180	-1,367
24 Unobligated balance available, end of year.....	3,180	1,367	1,036
Budget authority.....			
Relation of obligations to outlays:			
71 Obligations incurred, net.....	-3,272	1,813	331
72 Obligated balance, start of year.....	8,647	4,676	4,568
74 Obligated balance, end of year.....	-4,676	-4,568	-3,383
90 Outlays.....	699	1,921	1,516

¹ Balances of selected resources are identified on the statement of financial condition.

The Working capital fund was established by the act of August 3, 1956 (16 U.S.C. 579b), as amended by the act of October 23, 1962 (16 U.S.C. 579b). It is a self-sustaining revolving fund which provides services to national forests, experiment stations, and when necessary, to other Federal agencies and as provided by law to State and private agencies and persons who cooperate with the Forest Service in fire control and other authorized programs.

The following services were provided by the Working capital fund in fiscal year 1972:

1. *Equipment service.*—This service owns, operates, maintains, and replaces approximately 13,500 pieces of common use motor driven and similar equipment. This equipment is rented to a total of 146 administrative units, i.e., national forests, experiment stations and other units, and in some cases to other agencies, at rates which recover the cost of operation, repair and maintenance, management, and depreciation. The rates also include an increment which provides additional cash which when added to depreciation earnings and the residual value of equipment provides sufficient funds to replace the equipment. This service operates 74 repair shops.

2. *Aircraft service.*—This service operates and maintains 57 Forest Service-owned aircraft used in fire surveillance and suppression and in other Forest Service programs. The aircraft are based at 16 locations and are rented to national forests, experiment stations, and in some cases to other agencies, at rates which recover the cost of depreciation, operation, maintenance, repair, and improvements in the airworthiness of the aircraft. Aircraft replacement costs are financed from either appropriated funds or the Forest Service Working capital fund, or a combination of both. This service operates three aircraft maintenance shops.

3. *Supply service.*—This service operates the following common services:

(a) *Central supply.*—This service has two locations for procurement, warehousing, and supply of common use items, such as work project tools, provisions, and supplies. Grass seed is procured, stored and issued from two other locations. Issuances and sales are made to national forests, experiment stations, and others at prices which recover cost.

(b) *Photo reproduction.*—Six photo reproduction laboratories store, reproduce, and supply aerial photographs, aerial maps, and other photographs of national forest lands. The photographic reproductions are sold to national forests, experiment stations, and others at cost.

(c) *Sign shop.*—These include four small shops which manufacture and supply special signs for the national forests for use in regulating traffic and as information to the public and other users of the national forests. The signs are sold to national forests and experiment stations at cost.

(d) *Subsistence.*—There are 26 facilities which prepare and serve meals at cost to Forest Service work crews working in remote areas where adequate public restaurant facilities are not available.

(e) *Cribbing.*—This facility is located on the Angeles National Forest, Calif., to manufacture special concrete structural material used in embankments for erosion control purposes along access roads in the national forests. This material is sold to national forests at prices which recover costs.

4. *Nurseries.*—This service operates 13 forest tree nurseries and cold storage facilities for storage of tree and seed stock and one seed extractory. Tree seed is procured, cleaned, bagged, and stored in refrigerated facilities. Tree and seed stock is sold to national forests, States, and other Federal agencies at cost.

VOLUME OF BUSINESS FOR THE VARIOUS MAJOR ACTIVITIES OF THE WORKING CAPITAL FUND

[In thousands of dollars]

	1972 actual	1973 estimate	1974 estimate
Equipment service.....	25,663	26,285	27,658
Aircraft service.....	1,192	1,414	1,497
Supply service.....	2,867	2,461	2,393
Nursery service.....	3,260	3,523	3,548
Totals.....	32,982	33,683	35,096

The Working capital fund requires no cash appropriation. Initially, its assets were purchased by regular Forest Service appropriations and were donated to the fund. Where expansion of facilities is required that expansion is financed by Forest Service regular appropriations and the resulting assets are donated to the fund.

Revenue and Expense (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Operating income or loss (—):			
Equipment service:			
Revenue.....	25,475	26,179	27,498
Expense.....	-23,913	-28,867	-29,014
Net operating income or loss, equipment service.....	1,562	-2,688	-1,516
Aircraft service:			
Revenue.....	1,192	1,414	1,497
Expense.....	-1,235	-1,467	-1,481
Net operating income, aircraft service.....	-43	-53	16

Intragovernmental funds—Continued

WORKING CAPITAL FUND—Continued

Revenue and Expense (in thousands of dollars)—Continued

	1972 actual	1973 est.	1974 est.
Operating income or loss (—)—Continued			
Supply service:			
Revenue.....	2,867	2,461	2,393
Expense.....	-2,842	-2,459	-2,446
Net operating income or loss, supply service.....	25	2	-53
Nurseries:			
Revenue.....	3,260	3,523	3,548
Expense.....	-3,064	-3,359	-3,420
Net operating income, nurseries.....	196	164	128
Total, net operating income.....	1,740	-2,575	-1,425
Nonoperating income or loss (—):			
Proceeds from sale of equipment.....	1,493	1,339	1,487
Net book value of assets sold (—).....	-1,305	-1,233	-1,327
Net gain or loss (—) from sale of equipment.....	188	106	160
Income provision for increased cost of equipment replacements.....	1,843	2,603	2,742
Net nonoperating income.....	2,031	2,709	2,902
Net income for the year.....	3,771	134	1,477

Statement of Financial Condition (in thousands of dollars)

	1971 actual	1972 actual	1973 est.	1974 est.
Assets:				
Treasury balance.....	8,555	7,856	5,935	4,419
Accounts receivable, net.....	1,486	1,219	1,018	2,548
Selected assets: ¹				
Deferred charges, etc.....	6	10	11	11
Inventories.....	6,503	7,076	7,076	7,076
Fixed assets, net.....	34,673	43,309	50,864	53,760
Total assets.....	51,223	59,470	64,904	67,814
Liabilities:				
Current.....	4,721	3,822	3,208	3,404
Government equity:				
Obligations:				
Undelivered orders ¹	5,468	2,207	2,514	2,663
Unobligated balance.....	-92	3,180	1,367	1,036
Unfilled customers orders.....	-56	-134	-136	-136
Total funded balance.....	5,320	5,253	3,745	3,563
Invested capital and earnings.....	41,182	50,395	57,951	60,847
Total Government equity.....	46,502	55,648	61,696	64,410

¹ The "Change in selected resources" entry on the program and financing schedule relates to these items.

Analysis of Changes in Government Equity (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Non-interest-bearing capital:			
Start of year.....	35,927	41,302	47,216
Donated assets during the year:			
Fixed assets.....	5,233	5,914	1,237
Working capital, net.....	142		
End of year.....	41,302	47,216	48,453
Retained earnings:			
Start of year.....	10,575	14,346	14,480
Net income for the year.....	3,771	134	1,477

End of year.....	14,346	14,480	15,957
Total Government equity (end of year).....	55,648	61,696	64,410

Object Classification (in thousands of dollars)

Identification code 05-96-4605-0-4-402	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	7,805	7,750	7,355
11.3 Positions other than permanent.....	2,758	2,936	2,765
11.5 Other personnel compensation.....	206	197	197
11.8 Special personal services payments.....	29	28	28
Total personnel compensation.....	10,798	10,911	10,345
12.1 Personnel benefits: Civilian.....	936	993	940
13.0 Benefits for former personnel.....	10	10	10
21.0 Travel and transportation of persons.....	241	210	280
22.0 Transportation of things.....	181	200	210
23.0 Rent, communications, and utilities.....	477	530	550
24.0 Printing and reproduction.....	14	15	15
25.0 Other services.....	3,152	3,499	3,661
26.0 Supplies and materials.....	8,815	11,710	11,800
31.0 Equipment.....	8,266	11,202	11,626
32.0 Lands and structures.....	72	80	85
41.0 Grants, subsidies, and contributions.....	6	6	7
43.0 Interest and dividends.....	1	1	1
44.0 Refunds.....	1	1	1
Subtotal.....	32,970	39,368	39,531
95.0 Quarters and subsistence charges.....	-34	-35	-35
99.0 Total obligations.....	32,936	39,333	39,496

Personnel Summary

Total number of permanent positions.....	742	758	735
Full-time equivalent of other positions.....	384	395	372
Average paid employment.....	1,105	1,064	1,007
Average GS grade.....	8.5	8.5	8.6
Average GS salary.....	\$12,646	\$12,993	\$13,016
Average salary of ungraded positions.....	\$9,835	\$9,993	\$10,001

CONSOLIDATED WORKING FUND

Program and Financing (in thousands of dollars)

Identification code 05-96-3911-0-4-402	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Services for other Federal agencies.....	357	14	
2. Forest research at experimental forests and ranges, and for foreign countries.....	33	83	25
3. National operation mainstream program (Department of Labor).....		1,786	2,000
Total program costs, funded ¹	390	1,883	2,025
Change in selected resources ²	-20	-3	
10 Total obligations.....	369	1,880	2,025
Financing:			
11 Receipts and reimbursements from: Federal funds.....	-11	-1,811	-2,025
21 Unobligated balance available, start of year.....	-432	-74	-5
24 Unobligated balance available, end of year.....	74	5	5

Budget authority

Relation of obligations to outlays:			
71 Obligations incurred, net.....	358	69	
72 Obligated balance, start of year.....	37	24	168
74 Obligated balance, end of year.....	-24	-168	-154
90 Outlays.....	371	-75	14

¹ Includes capital outlay as follows: 1972, \$24 thousand; 1973, \$25 thousand; 1974, \$25 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$25 thousand; 1972, \$5 thousand; 1973, \$2 thousand; 1974, \$2 thousand.

Object Classification (in thousands of dollars)

Identification code 05-96-3911-0-4-402	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	8	171	182
11.3 Positions other than permanent.....	3	53	53
11.8 Special personal services payments.....		1,203	1,203
Total personnel compensation.....	11	1,427	1,438
12.1 Personnel benefits: Civilian.....	2	86	86
21.0 Travel and transportation of persons.....	1	25	25
22.0 Transportation of things.....		3	3
23.0 Rent, communications, and utilities.....	1	10	10
25.0 Other services.....	348	298	428
26.0 Supplies and materials.....	6	27	30
31.0 Equipment.....		5	5
99.0 Total obligations.....	369	1,880	2,025

Personnel Summary

Total number of permanent positions.....		18	21
Full-time equivalent of other positions.....	1	7	7
Average paid employment.....	1	23	24
Average GS grade.....	8.5	8.5	8.6
Average GS salary.....	\$12,646	\$12,993	\$13,016
Average salary of ungraded positions.....	\$9,835	\$9,993	\$10,001

Trust Funds

COOPERATIVE WORK (TRUST FUND)

Program and Financing (in thousands of dollars)

Identification code 05-96-8028-0-7-402	1972 actual	1973 est.	1974 est.
Program by activities:			
1. Construction and maintenance of roads and trails.....	7,053	6,835	6,500
2. Construction and maintenance of other improvements.....	763	800	800
3. Protection of national forest and adjacent private land.....	4,643	5,000	5,000
4. Sale area betterment and scaling.....	30,742	33,927	36,663
5. Research investigations.....	703	790	790
6. Administration.....	34	45	45
7. Reforestation.....	38	50	50
Total program costs, funded ¹	43,976	47,447	49,848
Change in selected resources ²	107	350	500
10 Total obligations.....	44,082	47,797	50,348
Financing:			
21 Unobligated balance available, start of year.....	-58,433	-68,224	-74,427
24 Unobligated balance available, end of year.....	68,224	74,427	79,079
60 Budget authority (appropriation) (permanent).....	53,874	54,000	55,000
Relation of obligations to outlays:			
71 Obligations incurred, net.....	44,082	47,797	50,348
72 Obligated balance, start of year.....		2,745	3,507
Receivables in excess of obligations, start of year.....	-224		
74 Obligated balance, end of year.....	-2,745	-3,507	-4,855
90 Outlays.....	41,114	47,035	49,000

¹ Includes capital outlay as follows: 1972, \$1,981 thousand; 1973, \$2,300 thousand; 1974, \$2,400 thousand.

² Selected resources as of June 30 are as follows: Undelivered orders, 1971, \$4,543 thousand; 1972, \$4,650 thousand; 1973, \$5,000 thousand; 1974, \$5,500 thousand.

Cooperative work.—Advances, including deposits from purchasers of timber, are received and used for coopera-

tive work in forest investigations, protection, and improvement of the national forests; and protection, reforestation, and administration of private lands adjacent to national forests (16 U.S.C. 490, 498, 572, 572a, 576b, 581; 31 U.S.C. 725s; 78 Stat. 1089).

Object Classification (in thousands of dollars)

Identification code 05-96-8028-0-7-402	1972 actual	1973 est.	1974 est.
Personnel compensation:			
11.1 Permanent positions.....	13,900	13,295	12,955
11.3 Positions other than permanent.....	9,461	10,025	9,955
11.5 Other personnel compensation.....	686	729	730
11.8 Special personal services payments.....	1	1	
Total personnel compensation.....	24,048	24,050	23,640
12.1 Personnel benefits: Civilian.....	2,021	2,045	2,010
13.0 Benefits for former personnel.....	7	8	10
21.0 Travel and transportation of persons.....	385	320	430
22.0 Transportation of things.....	1,801	1,828	2,035
23.0 Rent, communications, and utilities.....	836	850	940
24.0 Printing and reproduction.....	44	34	40
25.0 Other services.....	6,827	9,101	10,138
26.0 Supplies and materials.....	4,027	5,435	6,495
31.0 Equipment.....	800	802	890
32.0 Lands and structures.....	3,217	3,292	3,665
42.0 Insurance claims and indemnities.....	10	10	10
44.0 Refunds.....	241	207	230
Subtotal.....	44,264	47,982	50,533
95.0 Quarters and subsistence charges.....	-182	-185	-185
99.0 Total obligations.....	44,082	47,797	50,348

Personnel Summary

Total number of permanent positions.....	1,303	1,291	1,271
Full-time equivalent of other positions.....	1,424	1,485	1,475
Average paid employment.....	2,724	2,699	2,658
Average GS grade.....	8.5	8.5	8.6
Average GS salary.....	\$12,646	\$12,993	\$13,016
Average salary of ungraded positions.....	\$9,835	\$9,993	\$10,001

Legislative Program

OFFICE OF THE SECRETARY

WORKING CAPITAL FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 05-03-4609-2-4-355	1972 actual	1973 est.	1974 est.
Program by activities:			
10 Central services (costs—obligations).....			9,600
Financing:			
40 Budget authority (proposed supplemental appropriation).....			9,600
Relation of obligations to outlays:			
71 Obligations incurred, net.....			9,600
74 Obligated balance, end of year.....			-9,600
90 Outlays.....			

Legislation has been proposed which would increase capital for financing central service activities of the Department from \$400 thousand to \$10,000 thousand and to authorize the Secretary of Agriculture to transfer to the fund, without reimbursement, and to capitalize in the fund, such assets as he may determine, and assume the liabilities in connection with such assets.

FEDERAL CROP INSURANCE CORPORATION**ADMINISTRATIVE AND OPERATING EXPENSES**

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	05-63-2707-2-1-351	1972 actual	1973 est.	1974 est.
Program by activities:				
1.	Underwriting, actuarial, and program development.....	-----	-----	-140
2.	Marketing and collections.....	-----	-----	-400
3.	Contract servicing and claims.....	-----	-----	-460
10	Total obligations.....	-----	-----	-1,000
Financing:				
40	Proposed rescission of budget authority.....	-----	-----	-1,000
Relation of obligations to outlays:				
71	Obligations incurred, net.....	-----	-----	-1,000
90	Outlays.....	-----	-----	-1,000

FEDERAL CROP INSURANCE CORPORATION FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	05-63-4085-2-3-351	1972 actual	1973 est.	1974 est.
Program by activities:				
10	Administrative expenses (costs—obligations).....	-----	-----	1,500
Financing:				
24	Unobligated balance available, end of year.....	-----	-----	-1,500
Budget authority.....				
Relation of obligations to outlays:				
71	Obligations incurred, net.....	-----	-----	1,500
74	Obligated balance, end of year.....	-----	-----	-88
90	Outlays.....	-----	-----	1,412

LIMITATION ON ADMINISTRATIVE EXPENSES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

	1972 actual	1973 est.	1974 est.
Program by activities:			
Administrative expenses (costs—obligations).....	-----	-----	1,500

Financing:

Proposed increase in limitation..... 1,500

Legislation has been proposed which would change the method of financing administrative expenses by gradually including these costs in premium rates. The Corporation would phase out the use of appropriated funds by \$1 million each year beginning with 1974 and increase by a like amount each year the funds authorized for administrative expenses from premium income of the Federal Crop Insurance Corporation Fund. Additional funds (\$500 thousand) for planned expansion of the program in counties already offering crop insurance and to 25 new counties would also be financed from premium income.

TITLE V—GENERAL PROVISIONS

SEC. 501. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed [five hundred and seventy-two (572)] *seven hundred and twenty-six (726)* passenger motor vehicles, of which [four hundred and thirty-nine (439)] *five hundred and forty-five (545)* shall be for replacement only, and for the hire of such vehicles.

SEC. 502. Provisions of law prohibiting or restricting the employment of aliens shall not apply to employment under the appropriations for the Foreign Agricultural Service.

SEC. 503. Funds available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 504. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department of Agriculture who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast, except as to damage threatened or caused by insects and pests with respect to future prices of cotton or the trend of same.

SEC. 505. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

SEC. 506. Not less than \$1,500,000 of the appropriations of the Department of Agriculture for research and service work authorized by the Acts of August 14, 1946, July 28, 1954, and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-1893), shall be available for contracting in accordance with said Acts.

SEC. 507. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 508. No part of the funds contained in this Act may be used to make production or other payments to a person, persons, or corporations who harvest or knowingly permit to be harvested for illegal use, marihuana, or other such prohibited drug-producing plants on any part of lands owned or controlled by such persons or corporations. (*Agriculture-Environmental and Consumer Protection Appropriation Act, 1973.*)

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO OFFICE OF THE SECRETARY

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
Executive level I, \$60,000.....	1	1	1
Executive level III, \$40,000.....	1	1	1
Executive level IV, \$38,000.....	3	3	3
Executive level V, \$36,000.....	3	3	3
GS-18, \$36,000.....	3	3	3
GS-17, \$34,335 to \$36,000.....	11	11	11
GS-16, \$29,678 to \$36,000.....	16	16	16
GS-15, \$25,583 to \$33,260.....	39	62	62
GS-14, \$21,960 to \$28,548.....	58	71	72
GS-13, \$18,737 to \$24,362.....	84	104	108
GS-12, \$15,866 to \$20,627.....	77	112	112
GS-11, \$13,309 to \$17,305.....	74	99	99
GS-10, \$12,151 to \$15,796.....	9	8	8
GS-9, \$11,046 to \$14,358.....	71	113	113
GS-8, \$10,013 to \$13,019.....	11	13	13
GS-7, \$9,053 to \$11,771.....	143	232	232
GS-6, \$8,153 to \$10,601.....	56	122	121
GS-5, \$7,319 to \$9,515.....	126	219	218
GS-4, \$6,544 to \$8,506.....	91	163	161
GS-3, \$5,828 to \$7,574.....	78	118	116
GS-2, \$5,166 to \$6,714.....	9	11	11
GS-1, \$4,564 to \$5,932.....	1	1	1
Ungraded.....	162	161	161
Total permanent positions.....	1,127	1,647	1,646
Unfilled positions, June 30.....	-81	-64	-86
Total permanent employment, end of year.....	1,046	1,583	1,560

HIGHER LEVEL POSITIONS

Executive level I, \$60,000:			
Secretary of Agriculture.....	1	1	1
Executive level III, \$40,000:			
Under secretary of Agriculture.....	1	1	1
Executive level IV, \$38,000:			
Assistant secretary of Agriculture.....	3	3	3
Executive level V, \$36,000:			
Assistant secretary for administration.....	1	1	1
Director of agricultural economics.....	1	1	1
Director, science and education.....	1	1	1
GS-18, \$36,000:			
Deputy under secretary.....	1	1	1
Executive assistant to the Secretary.....	1	1	1
Deputy assistant secretary.....	1	1	1
GS-17, \$34,335 to \$36,000:			
Assistant to the Secretary.....	2	2	2
Deputy assistant secretary.....	1	1	1
Director of equal opportunity.....	1	1	1
Director of finance and budget officer.....	1	1	1
Director of information.....	1	1	1
Director, information systems.....	1	1	1
Director of personnel.....	1	1	1
Director, office of planning and evaluation.....	1	1	1
Director of plant and operations.....	1	1	1
Judicial officer.....	1	1	1
GS-16, \$29,678 to \$36,000:			
Administrative law judge.....	6	5	5
Assistant to the secretary.....	1		
Assistant to the assistant secretary.....	1	1	1
Deputy director of equal opportunity.....	1	1	1
Deputy director, budget and finance.....	1	2	2
Deputy director of information.....	1	1	1
Deputy director, information systems.....	1	2	2
Deputy director of personnel.....	1	1	1
Deputy director, office of planning and evaluation.....	1	1	1

HIGHER LEVEL POSITIONS—con.

GS-16, \$29,678 to \$36,000—Con.			
Deputy director of plant and operations.....	1	1	1
Division director.....	1	1	1
Judicial officer.....	1		

OFFICE OF THE INSPECTOR GENERAL

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
GS-18, \$36,000.....	1	1	1
GS-17, \$34,335 to \$36,000.....	1	1	1
GS-15, \$25,583 to \$33,260.....	19	19	19
GS-14, \$21,960 to \$28,548.....	50	50	50
GS-13, \$18,737 to \$24,362.....	144	142	142
GS-12, \$15,866 to \$20,627.....	157	158	177
GS-11, \$13,309 to \$17,305.....	198	193	193
GS-10, \$12,151 to \$15,796.....	2		
GS-9, \$11,046 to \$14,358.....	127	121	102
GS-8, \$10,013 to \$13,019.....	1	1	1
GS-7, \$9,053 to \$11,771.....	75	73	53
GS-6, \$8,153 to \$10,601.....	48	50	50
GS-5, \$7,319 to \$9,515.....	45	58	48
GS-4, \$6,544 to \$8,506.....	33	29	29
GS-3, \$5,828 to \$7,574.....	18	22	22
GS-2, \$5,166 to \$6,714.....	6	7	7
Total permanent positions.....	925	925	895
Unfilled positions, June 30.....	-64	-35	-45
Total permanent employment, end of year.....	861	890	850

HIGHER LEVEL POSITIONS

GS-18, \$36,000:			
Inspector General.....	1	1	1
GS-17, \$34,335 to \$36,000:			
Assistant inspector general.....	1	1	1

OFFICE OF THE GENERAL COUNSEL

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
Executive level IV, \$38,000.....	1	1	1
GS-18, \$36,000.....	1	1	1
GS-17, \$34,335 to \$36,000.....	2	2	2
GS-16, \$29,678 to \$36,000.....	5	5	5
GS-15, \$25,583 to \$33,260.....	33	33	33
GS-14, \$21,960 to \$28,548.....	70	66	66
GS-13, \$18,737 to \$24,362.....	45	47	45
GS-12, \$15,866 to \$20,627.....	31	44	42
GS-11, \$13,309 to \$17,305.....	43	4	4
GS-10, \$12,151 to \$15,796.....	1	1	1
GS-9, \$11,046 to \$14,358.....	8	29	29
GS-8, \$10,013 to \$13,019.....	4	5	5
GS-7, \$9,053 to \$11,771.....	25	40	38
GS-6, \$8,153 to \$10,601.....	38	42	41
GS-5, \$7,319 to \$9,515.....	50	42	40
GS-4, \$6,544 to \$8,506.....	38	28	28
GS-3, \$5,828 to \$7,574.....	13	15	14
GS-2, \$5,166 to \$6,714.....	2	2	2
GS-1, \$4,564 to \$5,932.....	2	1	1
Total permanent positions.....	412	408	398
Unfilled positions, June 30.....	-53	-38	-38
Total permanent employment, end of year.....	359	370	360

	1972 actual	1973 est.	1974 est.
HIGHER LEVEL POSITIONS			
Executive level IV, \$38,000:			
General counsel.....	1	1	1
GS-18, \$36,000:			
Deputy general counsel.....	1	1	1
GS-17, \$34,335 to \$36,000:			
Assistant general counsel.....	1	2	2
GS-16, \$29,678 to \$36,000:			
Assistant general counsel.....	2	2	2
Director, legal division.....	3	3	3

OFFICE OF MANAGEMENT SERVICES

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
GS-16, \$29,678 to \$36,000.....	1	1	1
GS-15, \$25,583 to \$33,260.....	5	5	5
GS-14, \$21,960 to \$28,548.....	19	19	19
GS-13, \$18,737 to \$24,362.....	29	32	32
GS-12, \$15,866 to \$20,627.....	37	52	46
GS-11, \$13,309 to \$17,305.....	35	43	38
GS-9, \$11,046 to \$14,358.....	49	32	31
GS-8, \$10,013 to \$13,019.....	1	1	1
GS-7, \$9,053 to \$11,771.....	42	47	42
GS-6, \$8,153 to \$10,601.....	35	40	39
GS-5, \$7,319 to \$9,515.....	44	59	56
GS-4, \$6,544 to \$8,506.....	32	27	26
GS-3, \$5,828 to \$7,574.....	35	39	39
GS-2, \$5,166 to \$6,714.....	16	10	10
GS-1, \$4,564 to \$5,932.....	4		
Ungraded.....	17	14	14
Total permanent positions.....	401	421	399
Unfilled positions, June 30.....	-66	-20	-20
Total permanent employment, end of year.....	335	401	379

HIGHER LEVEL POSITIONS

GS-16, \$29,678 to \$36,000:			
Director.....	1	1	1

AGRICULTURAL RESEARCH SERVICE

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE AGRICULTURAL RESEARCH SERVICE

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
Executive level V, \$36,000.....	1	1	1
GS-18, \$36,000.....	3	2	2
GS-17, \$34,335 to \$36,000.....	5	6	6
GS-16, \$29,678 to \$36,000.....	17	28	28
GS-15, \$25,583 to \$33,260.....	325	359	359
GS-14, \$21,960 to \$28,548.....	529	575	565
GS-13, \$18,737 to \$24,362.....	1,025	953	875
GS-12, \$15,866 to \$20,627.....	1,087	1,077	991
GS-11, \$13,309 to \$17,305.....	538	542	500
GS-10, \$12,151 to \$15,796.....	1	1	1
GS-9, \$11,046 to \$14,358.....	764	770	705
GS-8, \$10,013 to \$13,019.....	12	12	12
GS-7, \$9,053 to \$11,771.....	1,070	1,070	987
GS-6, \$8,153 to \$10,601.....	197	197	197
GS-5, \$7,319 to \$9,515.....	1,119	1,114	1,029
GS-4, \$6,544 to \$8,506.....	679	667	609
GS-3, \$5,828 to \$7,574.....	248	248	215
GS-2, \$5,166 to \$6,714.....	38	38	38
GS-1, \$4,564 to \$5,932.....	9	9	9
Positions at rates established by act of June 20, 1958 (5 U.S.C. 1161(c)).....	13	13	13

EXTENSION SERVICE—Continued

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE EXTENSION SERVICE—Continued

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES—con.			
Grades established by the Administrator, Agency for International Development—Continued			
FC-11, \$21,862 to \$28,800.....	8	3	-----
FC-10, \$18,737 to \$24,362.....	8	2	-----
FC-9, \$15,925 to \$20,612.....	1	1	-----
FC-8, \$13,411 to \$17,256.....	1	-----	-----
FC-6, \$11,127 to \$14,287.....	1	-----	-----
Ungraded.....	1	2	2
Total permanent positions.....	260	252	229
Unfilled positions, June 30.....	-20	-12	-35
Total permanent employment, end of year.....	240	240	194
HIGHER LEVEL POSITIONS			
GS-18, \$36,000:			
Administrator.....	1	1	1
GS-17, \$34,335 to \$36,000:			
Associate administrator.....	1	1	1
GS-16, \$29,678 to \$36,000:			
Assistant administrator.....	5	5	5

NATIONAL AGRICULTURAL LIBRARY

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
GS-17, \$34,335 to \$36,000.....	1	1	1
GS-15, \$25,583 to \$33,260.....	3	3	3
GS-14, \$21,960 to \$28,548.....	6	9	9
GS-13, \$18,737 to \$24,362.....	21	15	15
GS-12, \$15,866 to \$20,627.....	11	10	9
GS-11, \$13,309 to \$17,305.....	39	34	30
GS-9, \$11,046 to \$14,358.....	12	10	9
GS-8, \$10,013 to \$13,019.....	6	6	6
GS-7, \$9,053 to \$11,771.....	16	17	16
GS-6, \$8,153 to \$10,601.....	19	18	18
GS-5, \$7,319 to \$9,515.....	26	26	23
GS-4, \$6,544 to \$8,506.....	19	20	16
GS-3, \$5,828 to \$7,574.....	13	19	19
GS-2, \$5,166 to \$6,714.....	5	4	4
Ungraded.....	-----	3	3
Total permanent positions.....	197	195	181
Unfilled positions, June 30.....	-17	-11	-11
Total permanent employment, end of year.....	180	184	170
HIGHER LEVEL POSITIONS			
GS-17, \$34,335 to \$36,000:			
Director.....	1	1	1

STATISTICAL REPORTING SERVICE

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE STATISTICAL REPORTING SERVICE

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
GS-18, \$36,000.....	1	1	1
GS-17, \$34,335 to \$36,000.....	-----	1	1
GS-16, \$29,678 to \$36,000.....	7	5	5
GS-15, \$25,583 to \$33,260.....	19	16	16
GS-14, \$21,960 to \$28,548.....	57	54	54
GS-13, \$18,737 to \$24,362.....	100	85	85
GS-12, \$15,866 to \$20,627.....	139	126	125
GS-11, \$13,309 to \$17,305.....	90	86	85
GS-9, \$11,046 to \$14,358.....	97	85	84
GS-8, \$10,013 to \$13,019.....	5	5	5
GS-7, \$9,053 to \$11,771.....	118	104	103
GS-6, \$8,153 to \$10,601.....	70	60	60
GS-5, \$7,319 to \$9,515.....	182	164	162
GS-4, \$6,544 to \$8,506.....	183	169	168
GS-3, \$5,828 to \$7,574.....	119	114	114
GS-2, \$5,166 to \$6,714.....	40	37	37
GS-1, \$4,564 to \$5,932.....	5	5	5

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES—con.			
Grades established by the Administrator, Agency for International Development:			
FC-10, \$18,737 to \$24,362.....	1	2	2
FC-9, \$15,925 to \$20,612.....	1	1	1
Total permanent positions.....	1,234	1,120	1,113
Unfilled positions, June 30.....	-72	-53	-53
Total permanent employment, end of year.....	1,162	1,067	1,060
HIGHER LEVEL POSITIONS			
GS-18, \$36,000:			
Administrator.....	1	1	1
GS-17, \$34,335 to \$36,000:			
Deputy administrator.....	-----	1	1
GS-16, \$29,678 to \$36,000:			
Deputy administrator.....	1	-----	-----
Assistant administrator.....	1	1	1
Division director.....	5	4	4

ECONOMIC RESEARCH SERVICE

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE ECONOMIC RESEARCH SERVICE

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
GS-18, \$36,000.....	1	1	1
GS-17, \$34,335 to \$36,000.....	2	3	3
GS-16, \$29,678 to \$36,000.....	8	8	8
GS-15, \$25,583 to \$33,260.....	53	56	56
GS-14, \$21,960 to \$28,548.....	126	130	130
GS-13, \$18,737 to \$24,362.....	211	214	212
GS-12, \$15,866 to \$20,627.....	160	124	120
GS-11, \$13,309 to \$17,305.....	64	61	57
GS-10, \$12,151 to \$15,796.....	2	2	2
GS-9, \$11,046 to \$14,358.....	68	57	53
GS-8, \$10,013 to \$13,019.....	8	10	10
GS-7, \$9,053 to \$11,771.....	78	74	69
GS-6, \$8,153 to \$10,601.....	93	97	91
GS-5, \$7,319 to \$9,515.....	95	94	93
GS-4, \$6,544 to \$8,506.....	57	60	59
GS-3, \$5,828 to \$7,574.....	33	48	48
GS-2, \$5,166 to \$6,714.....	30	13	13
GS-1, \$4,564 to \$5,932.....	1	7	7
Grades established by the Administrator, Agency for International Development:			
FC-14, \$34,382 to \$36,000.....	-----	1	1
FC-13, \$29,578 to \$35,361.....	4	6	6
FC-12, \$25,688 to \$33,400.....	3	4	4
FC-11, \$21,862 to \$28,800.....	4	4	4
FC-10, \$18,737 to \$24,362.....	1	1	1
FC-9, \$15,925 to \$20,612.....	-----	1	1
Ungraded.....	1	1	1
Total permanent positions.....	1,103	1,077	1,050
Unfilled positions, June 30.....	-63	-51	-50
Total permanent employment, end of year.....	1,040	1,026	1,000
HIGHER LEVEL POSITIONS			
GS-18, \$36,000:			
Administrator.....	1	1	1
GS-17, \$34,335 to \$36,000:			
Deputy administrator.....	2	3	3
GS-16, \$29,678 to \$36,000:			
Division director.....	6	7	7
Outlook and situation officer.....	1	1	1
Deputy administrator.....	1	-----	-----
Grades established by the Administrator, Agency for International Development:			
FC-14, \$34,382 to \$36,000:			
Agricultural economist.....	-----	1	1

COMMODITY EXCHANGE AUTHORITY

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
GS-17, \$34,335 to \$36,000.....	1	1	1
GS-16, \$29,678 to \$36,000.....	1	1	1
GS-15, \$25,583 to \$33,260.....	6	6	6
GS-14, \$21,960 to \$28,548.....	9	9	9
GS-13, \$18,737 to \$24,362.....	7	8	8

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES—con.			
GS-12, \$15,866 to \$20,627.....	17	18	18
GS-11, \$13,309 to \$17,305.....	18	14	14
GS-9, \$11,046 to \$14,358.....	17	18	18
GS-8, \$10,013 to \$13,019.....	1	1	1
GS-7, \$9,053 to \$11,771.....	24	24	24
GS-6, \$8,153 to \$10,601.....	9	12	12
GS-5, \$7,319 to \$9,515.....	28	23	23
GS-4, \$6,544 to \$8,506.....	24	23	21
GS-3, \$5,828 to \$7,574.....	11	13	12
Total permanent positions.....	173	171	168
Unfilled positions, June 30.....	-13	-8	-8
Total permanent employment, end of year.....	160	163	160
HIGHER LEVEL POSITIONS			
GS-17, \$34,335 to \$36,000:			
Administrator.....	1	1	1
GS-16, \$29,678 to \$36,000:			
Associate administrator.....	1	1	1

PACKERS AND STOCKYARDS ADMINISTRATION

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
GS-17, \$34,335 to \$36,000.....	1	1	1
GS-15, \$25,583 to \$33,260.....	4	4	4
GS-14, \$21,960 to \$28,548.....	12	10	9
GS-13, \$18,737 to \$24,362.....	29	28	27
GS-12, \$15,866 to \$20,627.....	52	52	50
GS-11, \$13,309 to \$17,305.....	27	24	23
GS-9, \$11,046 to \$14,358.....	14	13	11
GS-8, \$10,013 to \$13,019.....	2	3	3
GS-7, \$9,053 to \$11,771.....	11	10	8
GS-6, \$8,153 to \$10,601.....	23	21	20
GS-5, \$7,319 to \$9,515.....	18	16	16
GS-4, \$6,544 to \$8,506.....	16	15	16
GS-3, \$5,828 to \$7,574.....	2	10	9
GS-2, \$5,166 to \$6,714.....	-----	1	2
GS-1, \$4,564 to \$5,932.....	1	1	1
Total permanent positions.....	212	209	200
Unfilled positions, June 30.....	-23	-10	-10
Total permanent employment, end of year.....	189	199	190
HIGHER LEVEL POSITIONS			
GS-17, \$34,335 to \$36,000:			
Administrator.....	1	1	1

FARMER COOPERATIVE SERVICE

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE FARMER COOPERATIVE SERVICE

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
GS-17, \$34,335 to \$36,000.....	1	1	1
GS-15, \$25,583 to \$33,260.....	8	8	8
GS-14, \$21,960 to \$28,548.....	10	10	10
GS-13, \$18,737 to \$24,362.....	24	24	23
GS-12, \$15,866 to \$20,627.....	8	9	9
GS-11, \$13,309 to \$17,305.....	6	4	3
GS-9, \$11,046 to \$14,358.....	4	2	1
GS-8, \$10,013 to \$13,019.....	1	1	1
GS-7, \$9,053 to \$11,771.....	5	5	4
GS-6, \$8,153 to \$10,601.....	4	4	4
GS-5, \$7,319 to \$9,515.....	9	8	8
GS-4, \$6,544 to \$8,506.....	7	7	7
GS-3, \$5,828 to \$7,574.....	5	5	5
GS-2, \$5,166 to \$6,714.....	1	1	1
Grades established by the Administrator, Agency for International Development:			
FC-12, \$25,688 to \$33,400.....	1	1	1
FC-11, \$21,862 to \$28,800.....	1	1	-----
Total permanent positions.....	95	91	86
Unfilled positions, June 30.....	-18	-7	-6
Total permanent employment, end of year.....	77	84	80
HIGHER LEVEL POSITION			
GS-17, \$34,335 to \$36,000:			
Administrator.....	1	1	1

FOREIGN AGRICULTURAL SERVICE

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE FOREIGN AGRICULTURAL SERVICE

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
Executive level V, \$36,000.....	1	1	1
GS-18, \$36,000.....	1	1	1
GS-17, \$34,335 to \$36,000.....	3	3	3
GS-16, \$29,678 to \$36,000.....	12	13	13
GS-15, \$25,583 to \$33,260.....	61	61	61
GS-14, \$21,960 to \$28,548.....	108	108	108
GS-13, \$18,737 to \$24,362.....	77	79	77
GS-12, \$15,866 to \$20,627.....	33	34	31
GS-11, \$13,309 to \$17,305.....	25	25	23
GS-9, \$11,046 to \$14,358.....	31	31	30
GS-8, \$10,013 to \$13,019.....	24	22	20
GS-7, \$9,053 to \$11,771.....	79	81	79
GS-6, \$8,153 to \$10,601.....	89	86	80
GS-5, \$7,319 to \$9,515.....	30	30	25
GS-4, \$6,544 to \$8,506.....	19	19	14
GS-3, \$5,828 to \$7,574.....	10	8	6
GS-2, \$5,166 to \$6,714.....	3	2	1
Ungraded.....	144	144	144

Total permanent positions..... 750 748 717
Unfilled positions, June 30..... -64 -62 -59

Total permanent employment, end of year..... 686 686 658

HIGHER LEVEL POSITIONS

Executive level V, \$36,000:			
Administrator.....	1	1	1
GS-18, \$36,000:			
Associate administrator.....	1	1	1
GS-17, \$34,335 to \$36,000:			
Agricultural attache.....	3	3	3
GS-16, \$29,678 to \$36,000:			
Agricultural attache.....	6	7	7
Assistant administrator.....	4	4	4
Assistant deputy administrator.....	1	1	1
Foreign agricultural affairs officer.....	1	1	1

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
Executive level V, \$36,000.....	1	1	1
GS-18, \$36,000.....	3	3	3
GS-17, \$34,335 to \$36,000.....	3	2	2
GS-16, \$29,678 to \$36,000.....	19	19	19
GS-15, \$25,583 to \$33,260.....	100	95	95
GS-14, \$21,960 to \$28,548.....	194	192	192
GS-13, \$18,737 to \$24,362.....	365	330	332
GS-12, \$15,866 to \$20,627.....	646	614	594
GS-11, \$13,309 to \$17,305.....	396	375	350
GS-10, \$12,151 to \$15,796.....	2	5	5
GS-9, \$11,046 to \$14,358.....	256	275	270
GS-8, \$10,013 to \$13,019.....	38	37	32
GS-7, \$9,053 to \$11,771.....	310	276	260
GS-6, \$8,153 to \$10,601.....	221	209	190
GS-5, \$7,319 to \$9,515.....	599	552	530
GS-4, \$6,544 to \$8,506.....	452	411	390
GS-3, \$5,828 to \$7,574.....	194	165	135
GS-2, \$5,166 to \$6,714.....	53	43	42
GS-1, \$4,564 to \$5,932.....	20	16	14
Ungraded.....	86	80	80

Total permanent positions..... 3,988 3,700 3,536
Unfilled positions, June 30..... -449 -300 -296

Total permanent employment, end of year..... 3,539 3,400 3,240

HIGHER LEVEL POSITIONS

Executive level V, \$36,000:			
Administrator.....	1	1	1
GS-18, \$36,000:			
Associate administrator.....	1	1	1
Deputy administrator.....	2	2	2

	1972 actual	1973 est.	1974 est.
HIGHER LEVEL POSITIONS—con.			
GS-17, \$34,335 to \$36,000:			
Deputy administrator.....	2	1	1
Executive assistant to administrator.....	1	1	1
GS-16, \$29,678 to \$36,000:			
Assistant deputy administrator.....	4	4	4
Assistant to administrator.....	1	1	1
Director.....	12	12	12
Economist.....	2	2	2

FEDERAL CROP INSURANCE CORPORATION

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE FEDERAL CROP INSURANCE CORPORATION

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
Grades established by act of Public Law 88-426, August 14, 1964, at rates equivalent to \$36,000.....	1	1	1
GS-16, \$29,678 to \$36,000.....	1	1	1
GS-15, \$25,583 to \$33,260.....	8	9	9
GS-14, \$21,960 to \$28,548.....	14	12	12
GS-13, \$18,737 to \$24,362.....	49	56	61
GS-12, \$15,866 to \$20,627.....	90	103	100
GS-11, \$13,309 to \$17,305.....	35	24	29
GS-9, \$11,046 to \$14,358.....	21	21	31
GS-8, \$10,013 to \$13,019.....	4	4	6
GS-7, \$9,053 to \$11,771.....	51	55	36
GS-6, \$8,153 to \$10,601.....	18	19	21
GS-5, \$7,319 to \$9,515.....	40	56	60
GS-4, \$6,544 to \$8,506.....	216	207	208
GS-3, \$5,828 to \$7,574.....	19	17	11
GS-2, \$5,166 to \$6,714.....	7	1	-----

Total permanent positions..... 574 586 586
Unfilled positions, June 30..... -8 -22 -26

Total permanent employment, end of year..... 566 564 560

HIGHER LEVEL POSITIONS

Grades established by act of Public Law 88-426, August 14, 1964, \$36,000:			
Manager.....	1	1	1
GS-16, \$29,678 to \$36,000:			
Deputy manager.....	1	1	1

RURAL DEVELOPMENT SERVICE

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
GS-18, \$36,000.....	1	1	1
GS-15, \$25,583 to \$33,260.....	2	2	2
GS-14, \$21,960 to \$28,548.....	1	1	1
GS-10, \$12,151 to \$15,796.....	1	1	1
GS-8, \$10,013 to \$13,019.....	1	1	1
GS-7, \$9,053 to \$11,771.....	1	1	1
GS-6, \$8,153 to \$10,601.....	1	1	1

Total permanent positions..... 8 8 8
Unfilled positions, June 30..... -2 -2 -2

Total permanent employment, end of year..... 6 6 6

HIGHER LEVEL POSITIONS

GS-18, \$36,000:			
Deputy under secretary, rural development.....	1	1	1

COMMODITY CREDIT CORPORATION

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS ALLOCATED TO THE EXPORT MARKETING SERVICE

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
GS-18, \$36,000.....	1	1	1
GS-17, \$34,335 to \$36,000.....	-----	1	-----
GS-16, \$29,678 to \$36,000.....	4	4	4
GS-15, \$25,583 to \$33,260.....	19	18	18
GS-14, \$21,960 to \$28,548.....	26	24	23
GS-13, \$18,737 to \$24,362.....	24	20	19
GS-12, \$15,866 to \$20,627.....	12	9	7
GS-11, \$13,309 to \$17,305.....	10	10	9
GS-9, \$11,046 to \$14,358.....	18	14	13
GS-8, \$10,013 to \$13,019.....	6	6	6
GS-7, \$9,053 to \$11,771.....	28	30	28
GS-6, \$8,153 to \$10,601.....	32	31	30
GS-5, \$7,319 to \$9,515.....	22	13	12
GS-4, \$6,544 to \$8,506.....	6	6	6
GS-3, \$5,828 to \$7,574.....	5	4	4
GS-2, \$5,166 to \$6,714.....	1	3	3

Total permanent positions..... 214 194 183
Unfilled positions, June 30..... -39 -14 -13

Total permanent employment, end of year..... 175 180 170

HIGHER LEVEL POSITIONS

GS-18, \$36,000:			
General sales manager.....	1	1	1
GS-17, \$34,335 to \$36,000:			
Agricultural marketing specialist (general).....	-----	1	-----
GS-16, \$29,678 to \$36,000:			
Assistant sales manager.....	3	3	3
Associate sales manager.....	1	1	1

RURAL ELECTRIFICATION ADMINISTRATION

SALARIES AND EXPENSES

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
Executive level V, \$36,000.....	1	1	1
GS-18, \$36,000.....	1	1	1
GS-16, \$29,678 to \$36,000.....	4	4	4
GS-15, \$25,583 to \$33,260.....	27	25	25
GS-14, \$21,960 to \$28,548.....	73	66	66
GS-13, \$18,737 to \$24,362.....	119	156	186
GS-12, \$15,866 to \$20,627.....	238	194	149
GS-11, \$13,309 to \$17,305.....	65	59	57
GS-10, \$12,151 to \$15,796.....	1	1	1
GS-9, \$11,046 to \$14,358.....	54	49	47
GS-8, \$10,013 to \$13,019.....	5	3	3
GS-7, \$9,053 to \$11,771.....	76	76	73
GS-6, \$8,153 to \$10,601.....	66	65	62
GS-5, \$7,319 to \$9,515.....	46	52	50
GS-4, \$6,544 to \$8,506.....	28	24	23
GS-3, \$5,828 to \$7,574.....	20	32	31
GS-2, \$5,166 to \$6,714.....	4	14	14
Ungraded.....	3	3	3

Total permanent positions..... 831 825 796
Unfilled positions, June 30..... -50 -40 -38

Total permanent employment, end of year..... 781 785 758

HIGHER LEVEL POSITIONS

Executive level V, \$36,000:			
Administrator.....	1	1	1
GS-18, \$36,000:			
Deputy administrator.....	1	1	1
GS-16, \$29,678 to \$36,000:			
Assistant administrator.....	3	3	3
Director of division.....	1	1	1

FARMERS HOME ADMINISTRATION

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE FARMERS HOME ADMINISTRATION

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
Executive level V, \$36,000.....	1	1	1
GS-18, \$36,000.....	1	1	1
GS-17, \$34,335 to \$36,000.....	1	2	2
GS-16, \$29,678 to \$36,000.....	5	4	4
GS-15, \$25,583 to \$33,260.....	41	41	41
GS-14, \$21,960 to \$28,548.....	63	63	63
GS-13, \$18,737 to \$24,362.....	180	180	180
GS-12, \$15,866 to \$20,627.....	549	548	489
GS-11, \$13,309 to \$17,305.....	1,546	1,543	1,383
GS-10, \$12,151 to \$15,796.....	2	2	2
GS-9, \$10,013 to \$14,358.....	1,137	1,136	1,019
GS-8, \$9,053 to \$11,771.....	26	26	26
GS-7, \$8,153 to \$10,601.....	753	751	671
GS-6, \$7,319 to \$9,515.....	142	142	127
GS-5, \$6,544 to \$8,506.....	1,805	1,802	1,614
GS-4, \$5,828 to \$7,574.....	969	967	864
GS-3, \$5,166 to \$6,714.....	462	461	412
GS-2, \$4,564 to \$5,932.....	61	61	61
GS-1, \$4,564 to \$5,932.....	4	4	4
Grades established by the Administrator, Agency for International Development:			
FC-13, \$29,578 to \$35,364.....	2	1	1
FC-12, \$25,688 to \$33,400.....	4	2	2
FC-11, \$21,862 to \$28,800.....	2	2	2
FC-10, \$18,737 to \$24,362.....	2	1	1
Ungraded.....	9	9	6
Total permanent positions.....	7,769	7,750	6,975
Unfilled positions, June 30.....	-412	-396	-368
Total permanent employment, end of year.....	7,357	7,354	6,607
HIGHER LEVEL POSITIONS			
Executive level V, \$36,000:			
Administrator.....	1	1	1
GS-18, \$36,000:			
Associate administrator.....	1	1	1
GS-17, \$34,335 to \$36,000:			
Deputy administrator.....	1	2	2
GS-16, \$29,678 to \$36,000:			
Assistant administrator.....	5	4	4

SOIL CONSERVATION SERVICE

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE SOIL CONSERVATION SERVICE

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
Executive level V, \$36,000.....	1	1	1
GS-18, \$36,000.....	1	1	1
GS-17, \$34,335 to \$36,000.....	3	4	4
GS-16, \$29,678 to \$36,000.....	11	11	12
GS-15, \$25,583 to \$33,260.....	80	85	86
GS-14, \$21,960 to \$28,548.....	146	151	155
GS-13, \$18,737 to \$24,362.....	512	490	480
GS-12, \$15,866 to \$20,627.....	1,168	1,076	1,026
GS-11, \$13,309 to \$17,305.....	3,368	3,272	3,197
GS-10, \$12,151 to \$15,796.....	1	1	1
GS-9, \$11,046 to \$14,358.....	2,278	2,196	2,056
GS-8, \$10,013 to \$13,019.....	15	14	13
GS-7, \$9,053 to \$11,771.....	1,876	1,805	1,665
GS-6, \$8,153 to \$10,601.....	2,374	2,280	2,129
GS-5, \$7,319 to \$9,515.....	1,550	1,569	1,419
GS-4, \$6,544 to \$8,506.....	696	797	626
GS-3, \$5,828 to \$7,574.....	351	406	284
GS-2, \$5,166 to \$6,714.....	61	70	39
GS-1, \$4,564 to \$5,932.....	6	9	5
Grades established by the Administrator, Agency for International Development (75 Stat. 450):			
FC-13, \$29,578 to \$35,364.....	1	1	1
FC-12, \$25,688 to \$33,400.....	5	2	2
FC-11, \$21,862 to \$28,800.....	9	4	3
FC-10, \$18,737 to \$24,362.....	4	4	3
FC-9, \$15,925 to \$20,612.....	158	155	155
Ungraded.....	158	155	155
Total permanent positions.....	14,675	14,400	13,360
Unfilled positions, June 30.....	-250	-300	-300
Total permanent employment, end of year.....	14,425	14,100	13,060
HIGHER LEVEL POSITIONS			
Executive level V, \$36,000:			
Administrator.....	1	1	1
GS-18, \$36,000:			
Associate administrator.....	1	1	1
GS-17, \$34,335 to \$36,000:			
Deputy administrator.....	3	4	4

HIGHER LEVEL POSITIONS—con.

	1972 actual	1973 est.	1974 est.
GS-16, \$29,678 to \$36,000:			
Assistant to deputy administrator.....	3	3	3
Deputy administrator.....	1	3	3
Division director.....	4	4	4
Field representative.....	4	4	4
State conservationist.....	1	1	1
Assistant to administrator.....	1	1	1

AGRICULTURAL MARKETING SERVICE

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE AGRICULTURAL MARKETING SERVICE

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
Executive level V, \$36,000.....	1	1	1
GS-17, \$34,335 to \$36,000.....	2	2	2
GS-16, \$29,678 to \$36,000.....	8	8	8
GS-15, \$25,583 to \$33,260.....	38	39	39
GS-14, \$21,960 to \$28,548.....	112	111	111
GS-13, \$18,737 to \$24,362.....	223	220	215
GS-12, \$15,866 to \$20,627.....	344	336	327
GS-11, \$13,309 to \$17,305.....	442	442	421
GS-10, \$11,046 to \$14,358.....	1,296	1,290	1,247
GS-9, \$10,013 to \$13,019.....	14	13	12
GS-8, \$9,053 to \$11,771.....	489	485	450
GS-7, \$8,153 to \$10,601.....	109	107	103
GS-6, \$7,319 to \$9,515.....	358	364	355
GS-5, \$6,544 to \$8,506.....	361	369	354
GS-4, \$5,828 to \$7,574.....	153	155	152
GS-3, \$5,166 to \$6,714.....	20	39	39
GS-2, \$4,564 to \$5,932.....	6	5	5
Grade established by the Administrator, Agency for International Development:			
FC-12, \$25,688 to \$33,400.....	1	1	1
Ungraded:			
Agricultural Marketing Service.....	563	542	531
Milk market administrators and staffs.....	879	875	875
Total permanent positions.....	5,419	5,404	5,248
Unfilled positions, June 30.....	-371	-404	-404
Total permanent employment, end of year.....	5,048	5,000	4,844
HIGHER LEVEL POSITIONS			
Executive level V, \$36,000:			
Administrator.....	1	1	1
GS-17, \$34,335 to \$36,000:			
Deputy administrator, marketing services.....	1	1	1
Deputy administrator, regulatory programs.....	1	1	1
GS-16, \$29,678 to \$36,000:			
Deputy administrator, management.....	1	1	1
Division director.....	7	7	7

FOOD AND NUTRITION SERVICE

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE FOOD AND NUTRITION SERVICE

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
GS-18, \$36,000.....	1	1	1
GS-17, \$34,335 to \$36,000.....	1	1	1
GS-16, \$29,678 to \$36,000.....	4	4	4
GS-15, \$25,583 to \$33,260.....	17	19	19
GS-14, \$21,960 to \$28,548.....	58	67	67
GS-13, \$18,737 to \$24,362.....	88	107	107
GS-12, \$15,866 to \$20,627.....	166	157	155
GS-11, \$13,309 to \$17,305.....	329	345	346
GS-10, \$11,046 to \$14,358.....	453	454	433
GS-9, \$10,013 to \$13,019.....	7	7	7
GS-8, \$9,053 to \$11,771.....	192	201	199
GS-7, \$8,153 to \$10,601.....	46	65	65
GS-6, \$7,319 to \$9,515.....	209	204	204
GS-5, \$6,544 to \$8,506.....	286	312	310
GS-4, \$5,828 to \$7,574.....	83	83	78
GS-3, \$5,166 to \$6,714.....	15	18	17
Ungraded.....	3	2	2
Total permanent positions.....	1,958	2,017	2,015
Unfilled positions, June 30.....	-87	-76	-96
Total permanent employment, end of year.....	1,901	1,971	1,919

HIGHER LEVEL POSITIONS

	1972 actual	1973 est.	1974 est.
GS-18, \$36,000:			
Administrator.....	1	1	1
GS-17, \$34,335 to \$36,000:			
Deputy administrator, program operations.....	1	1	1
GS-16, \$29,678 to \$36,000:			
Deputy administrator.....	1	1	1
Deputy administrator, management.....	1	1	1
Assistant deputy administrator.....	2	2	2
Special ungraded position at rate in excess of \$29,678:			
Special assistant to the administrator.....	1	1	1

FOREST SERVICE

CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE FOREST SERVICE

	1972 actual	1973 est.	1974 est.
GRADES AND RANGES			
Executive level V, \$36,000.....	1	1	1
GS-18, \$36,000.....	3	3	4
GS-17, \$34,335 to \$36,000.....	8	9	8
GS-16, \$29,678 to \$36,000.....	35	36	36
GS-15, \$25,583 to \$33,260.....	171	215	215
GS-14, \$21,960 to \$28,548.....	467	501	501
GS-13, \$18,737 to \$24,362.....	1,227	1,223	1,180
GS-12, \$15,866 to \$20,627.....	2,308	2,333	2,225
GS-11, \$13,309 to \$17,305.....	3,341	3,404	3,248
GS-10, \$12,151 to \$15,796.....	96	94	98
GS-9, \$11,046 to \$14,358.....	3,653	3,662	3,505
GS-8, \$10,013 to \$13,019.....	86	84	83
GS-7, \$9,053 to \$11,771.....	3,405	3,441	3,290
GS-6, \$8,153 to \$10,601.....	743	735	730
GS-5, \$7,319 to \$9,515.....	2,360	2,282	2,185
GS-4, \$6,544 to \$8,506.....	1,889	1,821	1,735
GS-3, \$5,828 to \$7,574.....	731	716	690
GS-2, \$5,166 to \$6,714.....	68	67	60
GS-1, \$4,564 to \$5,932.....	23	20	20
Positions at rates established by act of June 20, 1958 (72 Stat. 213) and act of September 23, 1959 (73 Stat. 651):			
\$36,000.....	2	1	1
\$30,667.....	3	3	3
Grades established by the Administrator, Agency for International Development:			
FC-12, \$25,688 to \$33,400.....	1	1	1
FC-11, \$21,862 to \$28,800.....	3	3	3
FC-10, \$18,737 to \$24,362.....	3	3	3
FC-9, \$15,925 to \$20,612.....	1	1	1
Ungraded.....	1,218	1,201	1,074
Total permanent positions.....	21,846	21,860	20,900
Unfilled positions, June 30.....	-1,163	-1,460	-2,090
Total permanent employment, end of year.....	20,683	20,400	18,810
HIGHER LEVEL POSITIONS			
Executive level V, \$36,000:			
Chief.....	1	1	1
GS-18, \$36,000:			
Associate chief.....	1	1	1
Deputy chief.....	3	3	3
GS-17, \$34,335 to \$36,000:			
Associate deputy chief.....	1	1	1
Associate deputy chief.....	5	5	5
Deputy chief.....	2	2	2
Director, Forest Products Laboratory.....	1	1	1
GS-16, \$29,678 to \$36,000:			
Associate deputy chief.....	1	1	1
Director, forest experiment station.....	8	8	8
Director, State and private forestry.....	2	2	2
Division director.....	12	12	12
Regional forester.....	9	9	9
Research forester.....	1	2	2
Scientist.....	2	2	2
Positions at rates established by act of June 20, 1958 (72 Stat. 213) and act of September 23, 1959 (73 Stat. 651):			
\$36,000:			
Director, Forest Products Laboratory.....	1	1	1
Physical chemist.....	1	1	1
\$30,667:			
Forest products technologist.....	1	1	1
Research forester.....	1	1	1
Scientist.....	1	1	1

REPRESENTATION BY COURT-APPOINTED COUNSEL AND OPERATIONS
OF DEFENDER ORGANIZATIONS—Continued

1972. In this regard, the Comptroller General has ruled that the appointment of counsel constitutes a contractual obligation and that payment for services rendered shall be made from the appropriation current at the time of the appointment.

COMMISSION ON REVISION OF THE FEDERAL COURT APPELLATE
SYSTEM OF THE UNITED STATES

For necessary expenses of the Commission on Revision of the Federal Court Appellate System of the United States created by the Act of October 13, 1972 (Public Law 92-489) (86 Stat. 807), \$270,000, to remain available until expended.

The Commission will study and report to the President, the Congress, and the Chief Justice, its recommendations for changes in the geographical boundaries of the U.S. Courts of Appeals within 180 days from the date on which its ninth member is appointed and within 15 months from the date on which its ninth member is appointed will submit a report and recommendations for additional changes in the structure and internal procedures of the Federal Courts of Appeal system. The Commission will cease to exist 90 days after the date of submission of its second report.

**Funds Appropriated to the President
DISASTER RELIEF**

DISASTER RELIEF

For an additional amount for "Disaster relief", \$100,000,000, to remain available until expended: *Provided*, that not to exceed three per centum of the foregoing amount shall be available for administrative expenses.

This request will provide additional funds to meet current year requirements for disaster relief and recovery from tropical storm Agnes.

Department of Agriculture

**ANIMAL AND PLANT HEALTH INSPECTION
SERVICE**

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

For an additional amount for "Animal and Plant Health Inspection Service", \$12,100,000: *Provided*, That this appropriation shall be available for acquisition of land, or interest therein, as authorized by section 11 of the act of August 3, 1956 (7 U.S.C. 428a).

This proposed supplemental appropriation is for required Federal assumption of meat and poultry intrastate inspection activities in the States of Pennsylvania, Missouri, Oregon, Minnesota, Nebraska, Kentucky, and the Commonwealth of Puerto Rico. It will also provide authority to acquire land for a veterinary biologics facility.

AGRICULTURAL MARKETING SERVICE

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY
(SECTION 32)

Funds available under section 32 of the act of August 24, 1935 (7 U.S.C. 612c), shall be available for child feeding programs and nutritional programs authorized by law in the School Lunch Act and Child Nutrition Act, as amended, in the amount of \$21,960,000 for the current fiscal year in addition to amounts heretofore provided for such purposes.

This request is for additional free and reduced-price lunches. It is necessary because of increased participation under section 5 of Public Law 92-433, which provides for eligibility of children from households with incomes 25% to 50% above the Secretary's poverty guidelines.

FOREST SERVICE

FOREST PROTECTION AND UTILIZATION

For an additional amount for "Forest protection and utilization", for "Forest land management", \$34,895,000: *Provided*, That, in addition, there may be transferred to "Forest land management" \$4,250,000 from the amount available for "Forest research" and \$9,000,000 from the amount available for "State and private forestry cooperation."

This proposed supplemental appropriation is for fighting forest fires.

Department of Commerce

**DOMESTIC AND INTERNATIONAL BUSINESS
ADMINISTRATION**

PARTICIPATION IN UNITED STATES EXPOSITIONS

For an additional amount for "Participation in United States Expositions", \$8,000,000, to remain available until expended.

Additional funds are required for a Federal pavilion at the Special Category International Exposition on the Environment to be held in Spokane, Wash., in 1974. The exposition will be held from May 1 to October 31, 1974, and will emphasize man's responsibility to the world in which he lives.

Department of Defense—Military

MILITARY PERSONNEL

MILITARY PERSONNEL, NAVY

Within the aggregate of unobligated balances of appropriations made under this head for prior fiscal years, and subsequently withdrawn under the Act of July 25, 1956 (31 U.S.C. 701), there may be restored and transferred to appropriation accounts under this head the following amounts for the fiscal year 1969, \$7,947,225; for the fiscal year 1971, \$72,001,000; and for the fiscal year 1972, \$30,400,000.

This constitutes a deficiency request totaling \$110,348,225 to fund over obligations of military personnel, Navy appropriations for 1969, \$7,947,225; 1971, \$72,001 thousand; and 1972, \$30,400 thousand reported to the Congress pursuant to Revised Statutes 3679 (31 U.S.C. 665) on December 26, 1972. The request would authorize the liquidation of the over obligations from unobligated balances of prior year military personnel, Navy appropriations which previously reverted to the Treasury under 31 U.S.C. 701.

RESERVE PERSONNEL, NAVY

For an additional amount for "Reserve personnel, Navy", \$4,800,000.

RESERVE PERSONNEL, AIR FORCE

For an additional amount for "Reserve personnel, Air Force", \$2,300,000.

These additional funds are required to implement Public Law 92-426 which approved a health scholarship program for the armed services.

